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DELTA REPORT

10-K

GAS - SOUTHERN CO GAS

10-K - DECEMBER 31, 2024 COMPARED TO 10-K - DECEMBER 31, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	10288
CHANGES	1532
DELETIONS	4049
ADDITIONS	4707

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☑ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 2023 December 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Transition Period from _____to _____

Commission File Number	Registrant, State of Incorporation, Address and Telephone Number	I.R.S. Employer Identification No.
1-3526	**The Southern Company** (A Delaware Corporation) 30 Ivan Allen Jr. Boulevard, N.W. Atlanta, Georgia 30308 (404) 506-5000	58-0690070
1-3164	**Alabama Power Company** (An Alabama Corporation) 600 North 18th Street Birmingham, Alabama 35203 (205) 257-1000	63-0004250
1-6468	**Georgia Power Company** (A Georgia Corporation) 241 Ralph McGill Boulevard, N.E. Atlanta, Georgia 30308 (404) 506-6526	58-0257110
001-11229	**Mississippi Power Company** (A Mississippi Corporation) 2992 West Beach Boulevard Gulfport, Mississippi 39501 (228) 864-1211	64-0205820
001-37803	**Southern Power Company** (A Delaware Corporation) 30 Ivan Allen Jr. Boulevard, N.W. Atlanta, Georgia 30308 (404) 506-5000	58-2598670
1-14174	**Southern Company Gas** (A Georgia Corporation) Ten Peachtree Place, N.E. Atlanta, Georgia 30309 (404) 584-4000	58-2210952

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Securities registered pursuant to Section 12(b) of the Act:

Registrant	Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
The Southern Company	Common Stock, par value $5 per share	SO	New York Stock Exchange (NYSE)
The Southern Company	Series 2017B 5.25% Junior Subordinated Notes due 2077	SOJC	NYSE
The Southern Company	Series 2020A 4.95% Junior Subordinated Notes due 2080	SOJD	NYSE
The Southern Company	Series 2020C 4.20% Junior Subordinated Notes due 2060	SOJE	NYSE
The Southern Company	Series 2021B 1.875% Fixed-to-Fixed Reset Rate Junior Subordinated Notes due 2081	SO 81	NYSE
The Southern Company	Series 2025A 6.50% Junior Subordinated Notes due 2085	SOJF	NYSE
Georgia Power Company	Series 2017A 5.00% Junior Subordinated Notes due 2077	GPJA	NYSE
Southern Power Company	Series 2016B 1.850% Senior Notes due 2026	SO/26A	NYSE

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Registrant	Yes	No
The Southern Company	X	
Alabama Power Company	X	
Georgia Power Company	X	
Mississippi Power Company		X
Southern Power Company		X
Southern Company Gas	X	

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No x (Response applicable to all registrants.)

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrants were required to submit such files). Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Registrant	Large Accelerated Filer	Accelerated Filer	Non-accelerated Filer	Smaller Reporting Company	Emerging Growth Company
The Southern Company	X				
Alabama Power Company			X		
Georgia Power Company			X		
Mississippi Power Company			X		
Southern Power Company			X		
Southern Company Gas			X		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

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Registrant	Yes	No
The Southern Company	X	
Alabama Power Company		X
Georgia Power Company		X
Mississippi Power Company		X
Southern Power Company		X
Southern Company Gas		X

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No x (Response applicable to all registrants.)

Aggregate market value of The Southern Company's common stock held by non-affiliates of The Southern Company at June 30, 2023 June 30, 2024: $76.6 billion $84.9 billion. All of the common stock of the other registrants is held by The Southern Company. A description of each registrant's common stock follows:

Registrant	Description of Common Stock	Shares Outstanding at January 31, 2024 January 31, 2025
The Southern Company	Par Value $5 Per Share	1,091,015,113 1,096,802,197
Alabama Power Company	Par Value $40 Per Share	30,537,500
Georgia Power Company	Without Par Value	9,261,500
Mississippi Power Company	Without Par Value	1,121,000
Southern Power Company	Par Value $0.01 Per Share	1,000
Southern Company Gas	Par Value $0.01 Per Share	100

Documents incorporated by reference: specified portions of The Southern Company's Definitive Proxy Statement on Schedule 14A relating to the 2024 2025 Annual Meeting of Stockholders are incorporated by reference into PART III.

Each of Alabama Power Company, Georgia Power Company, Mississippi Power Company, Southern Power Company, and Southern Company Gas meets the conditions set forth in General Instructions I(1)(a) and (b) of Form 10-K and is therefore filing this Form 10-K with the reduced disclosure format specified in General Instructions I(2)(b), (c), and (d) of Form 10-K.

This combined Form 10-K is separately filed by The Southern Company, Alabama Power Company, Georgia Power Company, Mississippi Power Company, Southern Power Company, and Southern Company Gas. Information contained herein relating to any individual registrant is filed by such registrant on its own behalf. Each registrant makes no representation as to information relating to the other registrants.

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When used in this Form 10-K, the following terms will have the meanings indicated.

Term	Meaning
ARP	Georgia Power's Alternate Rate Plans approved by the Georgia PSC; 2019 ARP for the years 2020 through 2022 and 2022 ARP for the years 2023 through 2025
AFUDC	Allowance for funds used during construction
AGL Services Company	AGL Services Company, Inc., the Southern Company Gas system service company and a wholly-owned subsidiary of Southern Company Gas
Alabama Power	Alabama Power Company
AMEA	Alabama Municipal Electric Authority
Amended and Restated Loan Guarantee Agreement	Loan guarantee agreement entered into by Georgia Power with the DOE in 2014, as amended and restated in March 2019, under which the proceeds of borrowings may be were used to reimburse Georgia Power for Eligible Project Costs incurred in connection with its construction of Plant Vogtle Units 3 and 4
AOCI	Accumulated other comprehensive income
ARO	Asset retirement obligation
ASU	Accounting Standards Update
Atlanta Gas Light	Atlanta Gas Light Company, a wholly-owned subsidiary of Southern Company Gas
Bcf	Billion cubic feet
Bechtel	Bechtel Power Corporation the primary contractor for the remaining construction activities for Plant Vogtle Units 3 and 4
Bechtel Agreement	The 2017 construction completion agreement between the Vogtle Owners and Bechtel
CAMT	Corporate alternative minimum tax
CCN	Certificate of convenience and necessity
CCR	Coal combustion residuals
CCR Rule	Disposal of Coal Combustion Residuals from Electric Utilities final rule published by the EPA in 2015
Chattanooga Gas	Chattanooga Gas Company, a wholly-owned subsidiary of Southern Company Gas
Clean Air Act	Clean Air Act Amendments of 1990
CO_2	Carbon dioxide
COD	Commercial operation date
Contractor Settlement AgreementCODM	The December 31, 2015 agreement between Westinghouse and the Vogtle Owners resolving disputes between the Vogtle Owners and the EPC Contractor under the Vogtle 3 and 4 AgreementChief operating decision maker
Cooperative Energy	Electric generation and transmission cooperative in Mississippi
COVID-19	The novel coronavirus disease declared a pandemic by the World Health Organization and the Centers for Disease Control and Prevention in March 2020
CPCN	Certificate of public convenience and necessity
CWIP	Construction work in progress
Dalton	City of Dalton, Georgia, an incorporated municipality in the State state of Georgia, acting by and through its Board of Water, Light, and Sinking Fund Commissioners
Dalton Pipeline	A pipeline facility in Georgia in which Southern Company Gas has a 50% undivided ownership interest
DOE	U.S. Department of Energy
ECCR	Georgia Power's Environmental Compliance Cost Recovery tariff
ECO Plan	Mississippi Power's environmental compliance overview plan
ELG	Effluent limitations guidelines
Eligible Project Costs	Certain costs of construction relating to Plant Vogtle Units 3 and 4 that are eligible for financing under the loan guarantee program established under Title XVII of the Energy Policy Act of 2005
EMC	Electric membership corporation
EPA	U.S. Environmental Protection Agency
EPC Contractor	Westinghouse and its affiliate, WECTEC Global Project Services Inc.; the former engineering, procurement, and construction contractor for Plant Vogtle Units 3 and 4
FASB	Financial Accounting Standards Board
FCC	Federal Communications Commission
FERC	Federal Energy Regulatory Commission

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DEFINITIONS
(continued)

Term	Meaning
FERC	Federal Energy Regulatory Commission
FFB	Federal Financing Bank
FFB Credit Facilities	Note purchase agreements among the DOE, Georgia Power, and the FFB and related promissory notes which provide for two multi-advance term loan facilities
Fitch	Fitch Ratings, Inc.
FP&L	Florida Power and Light Company
GAAP	U.S. generally accepted accounting principles
Georgia Power	Georgia Power Company
GHG	Greenhouse gas
GRAM	Atlanta Gas Light's Georgia Rate Adjustment Mechanism
Guarantee Settlement Agreement	The June 9, 2017 2017 settlement agreement between the Vogtle Owners and Toshiba related to certain payment obligations of the EPC Contractor guaranteed by Toshiba
Gulf Power	Gulf Power Company, until January 1, 2019 a wholly-owned subsidiary of Southern Company; effective January 1, 2021, Gulf Power Company merged with and into FP&L, with FP&L remaining as the surviving company
Heating Degree Days	A measure of weather, calculated when the average daily temperatures are less than 65 degrees Fahrenheit
Heating Season	The period from November through March when Southern Company Gas' natural gas usage and operating revenues are generally higher
HLBV	Hypothetical liquidation at book value
IBEW	International Brotherhood of Electrical Workers
IGCC	Integrated coal gasification combined cycle, the technology originally approved for Mississippi Power's Kemper County energy facility
IIC	Intercompany Interchange Contract
Illinois Commission	Illinois Commerce Commission
Internal Revenue Code	Internal Revenue Code of 1986, as amended
IPP	Independent power producer
IRA	Inflation Reduction Act of 2022
IRP	Integrated resource plan
IRS	Internal Revenue Service
ITAAC	Inspections, Tests, Analyses, and Acceptance Criteria, standards established by the NRC
ITC	Investment tax credit
KW	Kilowatt
KWH	Kilowatt-hour
LIBOR	London Interbank Offered Rate
LIFO	Last-in, first-out
LNG	Liquefied natural gas
LTSA	Long-term service agreement
Marketers	Marketers selling retail natural gas in Georgia and certificated by the Georgia PSC
MEAG Power	Municipal Electric Authority of Georgia
Mississippi Power	Mississippi Power Company
mmBtu	Million British thermal units
Moody's	Moody's Investors Service, Inc.
MPUS	Mississippi Public Utilities Staff
MRA	Municipal and Rural Associations
MW	Megawatt
natural gas distribution utilities	Southern Company Gas' natural gas distribution utilities (Nicor Gas, Atlanta Gas Light, Virginia Natural Gas, and Chattanooga Gas)
NCCR	Georgia Power's Nuclear Construction Cost Recovery tariff
NDR	Alabama Power's Natural Disaster Reserve
Nicor Gas	Northern Illinois Gas Company, a wholly-owned subsidiary of Southern Company Gas

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DEFINITIONS
(continued)

Term	Meaning
NDR	Alabama Power's Natural Disaster Reserve
NextEra Energy	NextEra Energy, Inc.
Nicor Gas	Northern Illinois Gas Company, a wholly-owned subsidiary of Southern Company Gas
NO_x	Nitrogen oxide
NRC	U.S. Nuclear Regulatory Commission
NYMEX	New York Mercantile Exchange, Inc.
NYSE	New York Stock Exchange
OCI	Other comprehensive income
OPC	Oglethorpe Power Corporation (an EMC)
OTC	Over-the-counter
PennEast Pipeline	PennEast Pipeline Company, LLC, a joint venture in which Southern Company Gas has a 20% ownership interest
PEP	Mississippi Power's Performance Evaluation Plan
PowerSecure	PowerSecure, Inc., a wholly-owned subsidiary of Southern Company
PowerSouth	PowerSouth Energy Cooperative
PPA	Power purchase agreements, as well as, for Southern Power, contracts for differences that provide the owner of a renewable facility a certain fixed price for the electricity sold to the grid
PSC	Public Service Commission
PTC	Production tax credit
Rate CNP	Alabama Power's Rate Certificated New Plant, consisting of Rate CNP New Plant, Rate CNP Compliance, Rate CNP PPA, and Rate CNP Depreciation
Rate ECR	Alabama Power's Rate Energy Cost Recovery
Rate NDR	Alabama Power's Rate Natural Disaster Reserve
Rate RSE	Alabama Power's Rate Stabilization and Equalization
Registrants	Southern Company, Alabama Power, Georgia Power, Mississippi Power, Southern Power Company, and Southern Company Gas
ROE	Return on equity
S&P	S&P Global Ratings, a division of S&P Global Inc.
SAVE	Steps to Advance Virginia's Energy, an infrastructure replacement program at Virginia Natural Gas
SCS	Southern Company Services, Inc., the Southern Company system service company and a wholly-owned subsidiary of Southern Company
SEC	U.S. Securities and Exchange Commission
SEGCO	Southern Electric Generating Company, 50% owned by each of Alabama Power and Georgia Power
SEPA	Southeastern Power Administration
Sequent	Sequent Energy Management, L.P. and Sequent Energy Canada Corp., wholly-owned subsidiaries of Southern Company Gas through June 30, 2021
SERC	SERC Reliability Corporation
SNG	Southern Natural Gas Company, L.L.C., a pipeline system in which Southern Company Gas has a 50% ownership interest
SO_2	Sulfur dioxide
SOFR	Secured Overnight Financing Rate
Southern Company	The Southern Company
Southern Company Gas	Southern Company Gas and its subsidiaries
Southern Company Gas Capital	Southern Company Gas Capital Corporation, a 100%-owned wholly-owned subsidiary of Southern Company Gas
Southern Company power pool	The operating arrangement whereby the integrated generating resources of the traditional electric operating companies and Southern Power (excluding subsidiaries) are subject to joint commitment and dispatch in order to serve their combined load obligations

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DEFINITIONS
(continued)

Term	Meaning
Southern Company system	Southern Company, the traditional electric operating companies, Southern Power, Southern Company Gas, SEGCO, Southern Nuclear, SCS, Southern Linc, PowerSecure, and other subsidiaries
Southern Holdings	Southern Company Holdings, Inc., a wholly-owned subsidiary of Southern Company
Southern Linc	Southern Communications Services, Inc., a wholly-owned subsidiary of Southern Company, doing business as Southern Linc
Southern Nuclear	Southern Nuclear Operating Company, Inc., a wholly-owned subsidiary of Southern Company

DEFINITIONS
(continued)

Term	Meaning
Southern Power	Southern Power Company and its subsidiaries
SouthStar	SouthStar Energy Services, LLC (a Marketer), a wholly-owned subsidiary of Southern Company Gas
SP Solar	SP Solar Holdings I, LP, a limited partnership indirectly owning substantially all of Southern Power's solar and battery energy storage facilities, in which Southern Power has a 67% ownership interest
SP Wind	SP Wind Holdings II, LLC, a holding company owning a portfolio of eight operating wind facilities, in which Southern Power is the controlling partner in a tax equity arrangement
SRR	Mississippi Power's System Restoration Rider, a tariff for retail property damage cost recovery and reserve
Subsidiary Registrants	Alabama Power, Georgia Power, Mississippi Power, Southern Power, and Southern Company Gas
Tax Reform Legislation	The Tax Cuts and Jobs Act, which became effective on January 1, 2018
Toshiba	Toshiba Corporation, the parent company of Westinghouse
traditional electric operating companies	Alabama Power, Georgia Power, and Mississippi Power
VCM	Vogtle Construction Monitoring
VIE	Variable interest entity
Virginia Commission	Virginia State Corporation Commission
Virginia Natural Gas	Virginia Natural Gas, Inc., a wholly-owned subsidiary of Southern Company Gas
Vogtle Owners	Georgia Power, OPC, MEAG Power, and Dalton
Westinghouse	Westinghouse Electric Company LLC
Williams Field Services Group	Williams Field Services Group, LLC

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Annual Report on Form 10-K contains forward-looking statements. Forward-looking statements include, among other things, statements concerning regulated rates, the strategic goals for the business, customer and sales growth, economic conditions, including inflation, cost recovery and other rate actions, projected equity ratios, current and proposed environmental regulations and related compliance plans and estimated expenditures, GHG emissions reduction goals, pending or potential litigation matters, access to sources of capital, projections for the qualified pension plans, postretirement benefit plans, and nuclear decommissioning trust fund contributions, financing activities, completion dates and costs of construction projects, matters related to the abandonment of the Kemper IGCC, completion of announced acquisitions, filings with state and federal regulatory authorities, federal and state income tax benefits, estimated sales and purchases under power sale and purchase agreements, and estimated construction plans and expenditures. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "would," "should," "expects," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential," or "continue" or the negative of these terms or other similar terminology. There are various factors that could cause actual results to differ materially from those suggested by the forward-looking statements; accordingly, there can be no assurance that such indicated results will be realized. These factors include:

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- the impact of recent and future federal and state regulatory changes, including tax, environmental, and other laws and regulations to which Southern Company and its subsidiaries are subject, as well as changes in application of existing laws and regulations;
- the extent and timing of costs and legal requirements related to CCR;
- current and future litigation or regulatory investigations, proceedings, or inquiries, including litigation and other disputes related to the Kemper County energy facility and Plant Vogtle Units 3 and 4;
- the effects, extent, and timing of the entry of additional competition in the markets in which Southern Company's subsidiaries operate, including from the development and deployment of alternative energy sources;
- variations in demand for electricity and natural gas;
- available sources and costs of natural gas and other fuels and commodities;
- the ability to complete necessary or desirable pipeline expansion or infrastructure projects, limits on pipeline capacity, public and policymaker support for such projects, and operational interruptions to natural gas distribution and transmission activities;
- transmission constraints;
- the ability to control costs and avoid cost and schedule overruns during the development, construction, and operation of facilities or other projects including Plant Vogtle Unit 4 (which includes components based on new technology that only within the last several years began initial operation in the global nuclear industry at this scale), due to current and/or future challenges which include, but are not limited to, changes in labor costs, availability, and productivity; challenges with the management of contractors or vendors; subcontractor performance; adverse weather conditions; shortages, delays, increased costs, or inconsistent quality of equipment, materials, and labor; contractor or supplier delay; the impacts of inflation; delays due to judicial or regulatory action; nonperformance under construction, operating, or other agreements; operational readiness, including specialized operator training and required site safety programs; engineering or design problems or any remediation related thereto; design and other licensing-based compliance matters; challenges with start-up activities, including major equipment failure, or system integration; integration, and/or operational performance; challenges related to pandemic health events; continued public and policymaker support for projects; environmental and geological conditions; delays or increased costs to interconnect facilities to transmission grids; and increased financing costs as a result of changes in interest rates or as a result of project delays;
- the ability to overcome or mitigate the current challenges, or challenges yet to be identified, at Plant Vogtle Unit 4, as described in Note 2 to the financial statements under "Georgia Power – Nuclear Construction" in Item 8 herein, that could further impact the cost and schedule for the project;
- legal proceedings and regulatory approvals and actions related to past, ongoing, and ongoing proposed construction projects, including state PSC or other applicable state regulatory agency approvals and FERC actions;
- under certain specified circumstances, a decision by holders of more than 10% of the ownership interests of Plant Vogtle Unit 4 not to proceed with construction;

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

(continued)

- in the event Georgia Power becomes obligated to provide funding to MEAG Power with respect to the portion of MEAG Power's ownership interest in Plant Vogtle Units 3 and 4 involving JEA, any inability of Georgia Power to receive repayment of such funding; NRC actions;
- the ability to construct facilities in accordance with the requirements of permits and licenses, (including satisfaction of NRC requirements), to satisfy any environmental performance standards and the requirements of tax credits and other incentives, and to integrate facilities into the Southern Company system upon completion of construction;
- investment performance of the employee and retiree benefit plans and nuclear decommissioning trust funds;
- advances in technology, including the pace and extent of development of low- to no-carbon energy and battery energy storage technologies and negative carbon concepts;
- performance of counterparties under ongoing renewable energy partnerships and development agreements;
- state and federal rate regulations and the impact of pending and future rate cases and negotiations, including rate actions relating to ROE, equity ratios, additional generating capacity and transmission facilities, extension of retirement dates for fossil fuel plants, and fuel and other cost recovery mechanisms;

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

(continued)

- the ability to successfully operate the traditional electric operating companies', SEGCO's, and SEGCO's generation, transmission, and distribution facilities, Southern Power's generation, transmission, distribution, and battery energy storage facilities, as applicable, and Southern Company Gas' natural gas distribution and storage facilities and the successful performance of necessary corporate functions;

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- the inherent risks involved in operating and constructing nuclear generating facilities;
- the inherent risks involved in transporting generation, transmission, and storing distribution of electricity and transportation and storage of natural gas; gas, including accidents, explosions, fires, mechanical problems, discharges or releases of toxic or hazardous substances or gases, and other environmental risks;
- the performance of projects undertaken by the non-utility businesses and the success of efforts to invest in and develop new opportunities;
- internal restructuring or other restructuring options that may be pursued;
- potential business strategies, including acquisitions or dispositions of assets or businesses, which cannot be assured to be completed or beneficial to Southern Company or its subsidiaries;
- the ability of counterparties of Southern Company and its subsidiaries to make payments as and when due and to perform as required;
- the ability to obtain new short- and long-term contracts with wholesale customers;
- the direct or indirect effect on the Southern Company system's business resulting from cyber intrusion or physical attack and the threat of cyber and physical attacks;
- global and U.S. economic conditions, including impacts from geopolitical conflicts, recession, inflation, tariffs, interest rate fluctuations, and financial market conditions, and the results of financing efforts;
- access to capital markets and other financing sources;
- changes in Southern Company's and any of its subsidiaries' credit ratings;
- the ability of the traditional electric operating companies to obtain additional generating capacity (or sell excess generating capacity) at competitive prices;
- catastrophic events such as fires, earthquakes, explosions, floods, tornadoes, hurricanes and other storms, droughts, pandemic health events, political unrest, wars, or other similar occurrences;
- the direct or indirect effects on the Southern Company system's business resulting from incidents affecting the U.S. electric grid, natural gas pipeline infrastructure, or operation of generating or storage resources;
- impairments of goodwill or long-lived assets;
- the effect of accounting pronouncements issued periodically by standard-setting bodies; and
- other factors discussed elsewhere herein and in other reports filed by the Registrants from time to time with the SEC.

The Registrants expressly disclaim any obligation to update any forward-looking statements.

PART I

Item 1. BUSINESS

Southern Company is a holding company that owns all of the outstanding common stock of three traditional electric operating companies, Southern Power Company, and Southern Company Gas.

- The traditional electric operating companies – Alabama Power, Georgia Power, and Mississippi Power – are each operating public utility companies providing electric service to retail customers in three Southeastern states in addition to wholesale customers in the Southeast.
- Southern Power Company is also an operating public utility company. The term "Southern Power" when used herein refers to Southern Power Company and its subsidiaries, while the term "Southern Power Company" when used herein refers only to the Southern Power parent company. Southern Power develops, constructs, acquires, owns, operates, and manages power generation assets, including renewable energy projects, and sells electricity at market-based rates in the wholesale market.
- Southern Company Gas is an energy services holding company whose primary business is the distribution of natural gas in four states – Illinois, Georgia, Virginia, and Tennessee – through the natural gas distribution utilities. Southern Company Gas is also involved in several other businesses that are complementary to the distribution of natural gas.

Southern Company also owns SCS, Southern Linc, Southern Holdings, Southern Nuclear, PowerSecure, and other direct and indirect subsidiaries. SCS, the system service company, has contracted with Southern Company, each of the Subsidiary Registrants, Southern Nuclear, SEGCO, and other subsidiaries to furnish, at direct or allocated cost and upon request, the following services: general executive and advisory, general and design engineering, operations, purchasing, accounting, finance, treasury, legal, tax, information technology, marketing, auditing, insurance and pension administration, human resources, systems and procedures, digital wireless communications, cellular tower space, and other services with respect to business and operations, construction management, and Southern Company power pool transactions. Southern Linc provides digital wireless communications for use by Southern Company and its subsidiary companies and also markets these services to the public and provides fiber optics services through its subsidiary, Southern Telecom, Inc. Southern Linc's system covers approximately 122,000 square miles in the Southeast. Southern Holdings is an intermediate holding company subsidiary, which invests in various projects. Southern Nuclear operates and provides services to the Southern Company system's nuclear power plants and is currently managing construction and start-up of Plant Vogtle Unit 4, which is co-owned by Georgia Power. plants. PowerSecure develops distributed energy and resilience solutions and deploys microgrids for commercial, industrial, governmental, and utility customers.

See "The Southern Company System" herein for additional information. Also see Note 15 to the financial statements in Item 8 herein for information regarding recent acquisition and disposition activity. Segment information for Southern Company and Southern Company Gas the Registrants is included in Note 16 to the financial statements in Item 8 herein. Alabama Power, Georgia Power, and Mississippi Power each operate with one reportable business segment, since substantially all of their business is providing electric service to customers. Southern Power also operates its business with one reportable business segment, the sale of electricity in the competitive wholesale market.

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The Registrants' Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments to those reports are made available on Southern Company's website, free of charge, as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. Southern Company's internet address is www.southerncompany.com.

The Southern Company System

Traditional Electric Operating Companies

The traditional electric operating companies are vertically integrated utilities that own generation, transmission, and distribution facilities. See PROPERTIES in Item 2 herein for additional information on the traditional electric operating companies' generating facilities. Each company's transmission facilities are connected to the respective company's own generating plants and other sources of power (including certain generating plants owned by Southern Power) and are interconnected with the transmission facilities of the other traditional electric operating companies and SEGCO. For information on the State state of Georgia's integrated transmission system, see "Territory Served by the Southern Company System – Traditional Electric Operating Companies and Southern Power" herein.

Agreements in effect with principal neighboring utility systems provide for capacity and energy transactions that may be entered into for reasons related to reliability or economics. Additionally, the traditional electric operating companies have entered into various reliability agreements with certain neighboring utilities, each of which provides for the establishment and periodic review of principles and procedures for planning and operation of generation and transmission facilities, maintenance

schedules, load retention programs, emergency operations, and other matters affecting the reliability of bulk power supply. The traditional electric operating companies have joined with other utilities in the Southeast to form the SERC to augment further the reliability and adequacy of bulk power supply. Through the SERC, the traditional electric operating companies are represented at the North American Electric Reliability Corporation. In November 2022, the Southeast Energy Exchange Market (SEEM) began service. SEEM, whose members include the traditional electric operating companies and many of the other electric service providers in the Southeast, is an extension of the existing bilateral market where participants use an automated, intra-hour energy exchange to buy and sell power close to the time the energy is consumed, utilizing available unreserved transmission. On July 14, 2023, In July 2023, the U.S. Court of Appeals for the District of Columbia D.C. Circuit vacated certain FERC orders related to SEEM and remanded the proceeding to the FERC. The ultimate outcome of this matter cannot be determined at this time.

The utility assets of the traditional electric operating companies and certain utility assets of Southern Power Company are operated as a single integrated electric system, or Southern Company power pool, pursuant to the IIC. Activities under the IIC are administered by SCS, which acts as agent for the traditional electric operating companies and Southern Power Company. The fundamental purpose of the Southern Company power pool is to provide for the coordinated operation of the electric facilities in an effort to achieve the maximum possible economies consistent with the highest practicable reliability of service. Subject to service requirements and other operating limitations, system resources are committed and controlled through the application of centralized economic dispatch. Under the IIC, each traditional electric operating company and Southern Power Company retains its lowest cost energy resources for the benefit of its own customers and delivers any excess energy to the Southern Company power pool for use in serving customers of other traditional electric operating companies or Southern Power Company or for sale by the Southern Company power pool to third parties. The IIC provides for the recovery of specified costs associated with the affiliated operations thereunder, as well as the proportionate sharing of costs and revenues resulting from Southern Company power pool transactions with third parties.

Southern Power and Southern Linc have secured from the traditional electric operating companies certain services which are furnished in compliance with FERC regulations.

Alabama Power and Georgia Power each have agreements with Southern Nuclear to operate the Southern Company system's existing nuclear plants, Plants Farley, Hatch, and Vogtle (Units 1, 2, and 3). In addition, Georgia Power has an agreement with Southern Nuclear to develop, license, construct, and operate Plant Vogtle Unit 4. Vogtle. See "Regulation – Nuclear Regulation" herein for additional information.

Southern Power

Southern Power develops, constructs, acquires, owns, operates, and manages power generation assets, including renewable energy projects, and sells electricity at market-based rates (under authority from the FERC) in the wholesale market. Southern Power seeks opportunities to execute its strategy to create value through various transactions including acquisitions, dispositions, and sales of partnership interests, development and construction of new generating facilities, and entry into PPAs, including contracts for differences that provide the owner of a renewable facility a certain fixed price for electricity sold to the grid, primarily with investor-owned utilities, IPPs, municipalities, electric cooperatives, and other load-serving entities, as well as commercial and industrial customers. The electricity from the natural gas generating facilities owned by Southern Power is primarily sold under long-term, fixed-price capacity PPAs both with unaffiliated wholesale purchasers as well as with the traditional electric operating companies. Southern Power has attempted to insulate itself from significant fuel supply, fuel transportation, and electric transmission risks by generally making such risks the responsibility of the counterparties to its PPAs. However, Southern Power's future earnings will depend on the parameters of the wholesale market and the efficient operation of its wholesale generating assets, as well as Southern Power's ability to execute its growth strategy and to develop and construct generating facilities. Southern Power's business activities are not subject to traditional state regulation like the traditional electric operating companies, but the majority of its business activities are subject to regulation by the FERC. For additional information on Southern Power's business activities, see MANAGEMENT'S DISCUSSION AND ANALYSIS – OVERVIEW – "Business Activities" in Item 7 herein.

Southern Power Company directly owns and manages generation assets primarily in the Southeast, which are included in the Southern Company power pool, and has various subsidiaries whose generation assets are not included in the Southern Company power pool. These subsidiaries were created to own, operate, and pursue power generation facilities, either wholly or in partnership with various third parties. At December 31, 2023 December 31, 2024, Southern Power's generation fleet, which is owned in part with various partners, totaled 12,498 12,648 MWs of nameplate capacity in commercial operation (including 5,118 5,268 MWs of nameplate capacity owned by its subsidiaries). See "Traditional Electric Operating Companies" herein for additional information on the Southern Company power pool.

A majority of Southern Power's partnerships in renewable facilities allow for the sharing of cash distributions and tax benefits at differing percentages, with Southern Power being the controlling partner and thus consolidating the assets and operations of the partnerships. At December 31, 2024, Southern Power had eight tax equity partnership arrangements where the tax equity

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the partnerships. At December 31, 2023, Southern Power had eight tax equity partnership arrangements where the tax equity investors receive substantially all of the tax benefits from the facilities, including ITCs and PTCs. In addition, Southern Power holds controlling interests in non-tax equity partnerships with its ownership interests primarily ranging from 51% to 66%.

See PROPERTIES in Item 2 herein for additional detail regarding Southern Power's partnership arrangements and Note 15 to the financial statements under "Southern Power" in Item 8 herein for additional information regarding Southern Power's acquisitions, dispositions, construction, and development projects.

Southern Power calculates an investment coverage ratio for its generating assets, including those owned with various partners, based on the ratio of investment under contract to total investment using the respective facilities' net book value (or expected in-service value for facilities under construction) as the investment amount. With the inclusion of investments associated with facilities under construction, as well as other capacity and energy contracts, Southern Power's average investment coverage ratio at December 31, 2023 December 31, 2024 was 97% 96% through 2028 2029 and 89% 87% through 2033, 2034, with an average remaining contract duration of approximately 12 years. For the year ended December 31, 2023 December 31, 2024, approximately 41% 46% of contracted MWs were with AAA to A- or equivalent rated counterparties, 47% 46% were with BBB+ to BBB- or equivalent rated counterparties, and 10% 6% were with unrated entities that either have ratemaking authority or have posted collateral to cover potential credit exposure.

Southern Power's electricity sales from natural gas generating facilities are primarily through long-term PPAs that consist of two types of agreements. The first type, referred to as a unit or block sale, is a customer purchase from a dedicated plant unit where all or a portion of the generation from that unit is reserved for that customer. Southern Power typically has the ability to serve the unit or block sale customer from an alternate resource. The second type, referred to as requirements service, provides that Southern Power serves the customer's capacity and energy requirements from a combination of the customer's own generating units and from Southern Power resources not dedicated to serve unit or block sales. Southern Power has rights to purchase power provided by the requirements customers' resources when economically viable. Capacity charges that form part of the PPA payments are designed to recover fixed and variable operations and maintenance costs based on dollars-per-kilowatt year and to provide a return on investment.

Southern Power's electricity sales from solar and wind generating facilities are also primarily through long-term PPAs; however, these solar and wind PPAs do not have a capacity charge and customers either purchase the energy output of a dedicated renewable facility through an energy charge or provide Southern Power a certain fixed price for the electricity sold to the grid. As a result, Southern Power's ability to recover fixed and variable operations and maintenance expenses is dependent upon the level of energy generated from these facilities, which can be impacted by weather conditions, equipment performance, transmission constraints, and other factors. Generally, under the renewable generation PPAs, the purchasing party retains the right to keep or resell the renewable energy credits.

Southern Power actively pursues replacement PPAs prior to the expiration of its current PPAs and anticipates that the revenues attributable to one customer may be replaced by revenues from a new customer; however, the expiration of any of Southern Power's current PPAs without the successful remarketing of a replacement PPA could have a material negative impact on Southern Power's earnings but is not expected to have a material impact on Southern Company's earnings.

Southern Company Gas

Southern Company Gas is an energy services holding company whose primary business is the distribution of natural gas through the natural gas distribution utilities. Southern Company Gas is also involved in several other businesses that are complementary to the distribution of natural gas, including gas pipeline investments and gas marketing services. Southern Company Gas also has an "all other" non-reportable segment that includes segments below the quantitative threshold for separate disclosure. See Note 15 to the financial statements under "Southern Company Gas" in Item 8 herein for information regarding Southern Company Gas' recent dispositions.

Gas distribution operations, the largest segment of Southern Company Gas' business, operates, constructs, and maintains approximately 77,900 78,500 miles of natural gas pipelines and 14 storage facilities, with total capacity of 157 Bcf, to provide natural gas to residential, commercial, and industrial customers. Gas distribution operations serves approximately 4.4 million customers across four states.

Gas pipeline investments primarily consists of joint ventures in natural gas pipeline investments including a 50% interest in SNG and a 50% joint ownership interest in the Dalton Pipeline. These natural gas pipelines enable the provision of diverse sources of natural gas supplies to the customers of Southern Company Gas. SNG, the largest natural gas pipeline investment, is the owner of a 7,000-mile pipeline connecting natural gas supply basins in Texas, Louisiana, Mississippi, and Alabama to markets in Louisiana, Mississippi, Alabama, Florida, Georgia, South Carolina, and Tennessee. SNG is developing a proposed pipeline project, designed to meet customer demand by increasing SNG's existing pipeline capacity by approximately 1.3 billion cubic feet per day, which the operator of the joint venture anticipates will be completed by 2029. The ultimate outcome of this matter cannot be determined at this time. See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Construction Programs" in Item 7 herein for additional information.

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Gas marketing services is comprised of SouthStar, which serves approximately 665,000 668,000 natural gas commodity customers, markets gas to residential, commercial, and industrial customers and offers energy-related products that provide natural gas price stability and utility bill management in competitive markets or markets that provide for customer choice.

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Construction Programs

The subsidiary companies of Southern Company are engaged in continuous construction programs, including capital expenditures to accommodate existing and estimated future loads on their respective systems and to comply with environmental laws and regulations, as applicable. In 2024, 2025, the Southern Company system's construction program is expected to be apportioned approximately as follows:

	Southern Company system[a][b]	Alabama Power	Georgia Power	Mississippi Power
	Southern Company system[a][b][c][d]	**Alabama Power[c]**	**Georgia Power[d]**	**Mississippi Power**

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(in billions)

New generation	
Environmental compliance(c) (e)	
Generation maintenance	
Transmission	
Distribution	
Nuclear fuel	
General plant	
	7.8
	11.8
Southern Power(d) (f)	
Southern Company Gas(e) (g)	
Southern Company Gas(e) (g)	
Southern Company Gas(e) (g)	
Other subsidiaries	
Other subsidiaries	
Other subsidiaries	
Total(a)	
Total(a)	
Total(a)	

(a) Totals may not add due to rounding.

(b) Includes the Subsidiary Registrants, as well as other subsidiaries.

(c) Includes $640 million contingent upon approval by the Alabama PSC related to Alabama Power's October 2024 CCN filing. See Note 2 to the financial statements under "Alabama Power – Petition for Certificate of Convenience and Necessity" in Item 8 herein for additional information.

(d) Includes committed expenditures related to generation construction projects Georgia Power has bid through a request for proposals (RFP) as initiated in the 2022 IRP. Excludes all other expenditures not yet approved for Georgia Power-owned proposals in RFPs and related transmission investments. See Note 2 to the financial statements under "Georgia Power – Integrated Resource Plans" in Item 8 herein for additional information.

(e) Reflects cost estimates for environmental laws and regulations. These estimated expenditures do not include potential compliance costs associated with any future the regulation of CO_2GHG emissions from fossil fuel-fired electric generating units or the proposed ELG Supplemental Rule, or costs associated with closure and monitoring of ash ponds surface impoundments and landfills in accordance with the CCR Rule and the related state rules. See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Environmental Matters" and FINANCIAL CONDITION AND LIQUIDITY – "Cash Requirements" in Item 7 herein for additional information. No material capital expenditures are expected for non-environmental government regulations.

(d) (f) Includes $0.4 billion related to the Millers Branch solar project and $0.3 billion related to the Kay Wind repowering project. Does not include approximately $0.8 billion $0.7 billion for planned acquisitions and placeholder growth, which may vary materially due to market opportunities and Southern Power's ability to execute its growth strategy. See Note 15 to the financial statements under "Southern Power" in Item 8 herein for additional information regarding the Millers Branch solar project and the Kay Wind repowering project.

(e) (g) Includes costs for ongoing capital projects associated with infrastructure improvement programs for certain natural gas distribution utilities that have been previously approved by their applicable state regulatory agencies. See Note 2 to the financial statements under "Southern Company Gas" in Item 8 herein for additional information. Also includes gas pipeline investment of approximately $0.1 billion. See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Construction Programs" in Item 7 herein for information regarding this project.

The construction programs are subject to periodic review and revision, and actual construction costs may vary from these estimates because of numerous factors.

The traditional electric operating companies also anticipate continued expenditures associated with closure and monitoring of ash ponds surface impoundments and landfills in accordance with the CCR Rule and the related state rules, which are reflected in the applicable Registrants' ARO liabilities. Estimated costs for 2024 2025 total $728 million $729 million for Southern Company, primarily consisting of $346 million $364 million for Alabama Power, $338 million $309 million for Georgia Power, and $24 million $30 million for Mississippi Power.

See MANAGEMENT'S DISCUSSION AND ANALYSIS – FINANCIAL CONDITION AND LIQUIDITY – "Cash Requirements" in Item 7 herein for additional information, including estimated expenditures for construction, environmental compliance, and closure and monitoring of ash ponds surface impoundments and landfills for the years 2025 2026 through 2028. 2029.

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Also see MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Environmental Matters" in Item 7 herein for additional information with respect to certain existing and proposed environmental requirements and PROPERTIES – "Electric – Jointly-Owned Facilities" and – "Natural Gas – Jointly-Owned Properties" in Item 2 herein and Note 5 to the financial statements under "Joint Ownership Agreements" in Item 8 herein for additional information concerning the Registrants' joint ownership of certain facilities.

Financing Programs

See MANAGEMENT'S DISCUSSION AND ANALYSIS – FINANCIAL CONDITION AND LIQUIDITY in Item 7 herein and Note 8 to the financial statements in Item 8 herein for information concerning financing programs.

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Fuel Supply

Electric

The traditional electric operating companies' and SEGCO's supply of electricity is primarily fueled by natural gas and coal, as well as nuclear for Alabama Power and Georgia Power. Southern Power's supply of electricity is primarily fueled by natural gas. See MANAGEMENT'S DISCUSSION AND ANALYSIS – RESULTS OF OPERATION – "Southern Company – Electricity Business – Fuel and Purchased Power Expenses" and MANAGEMENT'S DISCUSSION AND ANALYSIS – RESULTS OF OPERATION under "Fuel and Purchased Power Expenses" for each of the traditional electric operating companies in Item 7 herein for information regarding the electricity generated and the average cost of fuel in cents per net KWH generated for the years 2022 2023 and 2023, 2024.

SCS, acting on behalf of the traditional electric operating companies and Southern Power Company, has agreements in place for the natural gas burn requirements of the Southern Company system. For 2024, 2025, SCS has contracted for 620 627 Bcf of natural gas supply under agreements with remaining terms up to 10 years. In addition to natural gas supply, SCS has contracts in place for both firm natural gas transportation and storage. Management believes these contracts provide sufficient natural gas supplies, transportation, and storage to ensure normal operations of the Southern Company system's natural gas generating units. See "Natural Gas" herein for information on the natural gas market.

The traditional electric operating companies have agreements in place from which they expect to receive substantially all of their 2024 2025 coal burn requirements. These agreements have terms ranging between one and three years. Fuel procurement specifications, emission allowances, environmental control systems, and fuel changes have allowed the traditional electric operating companies to remain within limits set by applicable environmental regulations. As new environmental regulations are proposed that impact the utilization of coal, the traditional electric operating companies' fuel mix will be monitored to help ensure compliance with applicable laws and regulations. Southern Company and the traditional electric operating companies will continue to evaluate the need to purchase additional emissions allowances, the timing of capital expenditures for environmental control equipment, and potential unit retirements and replacements. While none of Southern Company's subsidiaries are currently subject to renewable portfolio standards or similar requirements, management of the traditional electric operating companies is working with applicable regulators through their IRP processes to continue the generating fleet transition in a manner responsible to customers, communities, employees, and other stakeholders. See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Environmental Matters" in Item 7 herein and Note 2 to the financial statements under "Alabama Power – Environmental Accounting Order," "Georgia Power – Integrated Resource Plans," and "Mississippi Power – Integrated Resource Plan" Plans" in Item 8 herein for additional information, including the Southern Company system's electric generating mix and plans to retire or convert to natural gas certain coal-fired generating capacity.

Alabama Power and Georgia Power have multiple contracts covering their nuclear fuel needs for uranium, conversion services, enrichment services, and fuel fabrication with remaining terms up to 11 10 years. Management believes suppliers have sufficient nuclear fuel production capability to permit normal operation of the Southern Company system's nuclear generating units. Alabama Power and Georgia Power also have contracts with the United States, acting through the DOE, that provide for the permanent disposal of spent nuclear fuel. The DOE failed to begin disposing of spent fuel in 1998, as required by the contracts, and Alabama Power and Georgia Power have pursued and are pursuing legal remedies against the government for breach of contract. See Note 3 to the financial statements under "Nuclear Fuel Disposal Costs" in Item 8 herein for additional information.

Changes in fuel prices to the traditional electric operating companies are generally reflected in fuel adjustment clauses contained in rate schedules. See "Rate Matters – Rate Structure and Cost Recovery Plans" herein for additional information. Southern Power's natural gas PPAs generally provide that the counterparty is responsible for substantially all of the cost of fuel.

Natural Gas

Natural gas remains a volatile commodity. Slight supply and demand imbalances can quickly result in significant price moves both up and down. These price movements may be short-lived, but the impacts can be pronounced. Natural gas supplies primarily from the Permian and Haynesville regions, have continued to grow; however, this growth has been accompanied by LNG export growth. Forward curves project prices will remain in the range of mid-to mid- to high- $3 $3 per mmBtu approaching $4 per mmBtu, range through 2030; however, short-term price volatility is expected and future prices could be materially impacted by various factors, including unexpected geopolitical events as well as government policies related to natural gas and energy, including infrastructure development, production, and exports.

Southern Company Gas' procurement plans for natural gas supply and transportation to serve regulated utility customers are reviewed and approved by the regulatory agencies in the states where it operates. Southern Company Gas purchases natural gas supplies in the open market by contracting with producers and marketers and, for Atlanta Gas Light and Chattanooga Gas, under asset management agreements approved by the applicable state regulatory agency. Southern Company Gas also contracts

for transportation and storage services from interstate pipelines that are regulated by the FERC. When firm pipeline services are temporarily not needed, Southern Company Gas may release the services in the secondary market under FERC-approved capacity release provisions or utilize asset management arrangements, thereby reducing the net cost of natural gas charged to customers for most of the natural gas distribution utilities. Peak-use requirements are met through utilization of company-owned storage facilities, pipeline transportation capacity, purchased storage services, peaking facilities, and other supply sources, arranged by either transportation customers or Southern Company Gas.

With the exception of Atlanta Gas Light, the natural gas distribution utilities are authorized by the relevant regulatory agencies in the states in which they serve to use natural gas cost recovery mechanisms that adjust rates to reflect changes in the wholesale cost of natural gas and ensure recovery of all costs prudently incurred in purchasing natural gas for customers. See Note 2 to the financial statements under "Southern Company Gas – Natural Gas Cost Recovery" in Item 8 herein for additional information.

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Territory Served by the Southern Company System

Traditional Electric Operating Companies and Southern Power

The territory in which the traditional electric operating companies provide retail electric service comprises most of the states of Alabama and Georgia, together with southeastern Mississippi. In this territory there are non-affiliated electric distribution systems that obtain some or all of their power requirements either directly or indirectly from the traditional electric operating companies. As of December 31, 2023 December 31, 2024, the territory had an area of approximately 116,000 square miles and an estimated population of approximately 17 million. Southern Power sells wholesale electricity at market-based rates across various U.S. utility markets, primarily to investor-owned utilities, IPPs, municipalities, and other load-serving entities, as well as commercial and industrial customers.

Alabama Power is engaged, within the State state of Alabama, in the generation, transmission, distribution, and purchase of electricity and the sale of electric service, at retail in approximately 400 cities and towns (including Anniston, Birmingham, Gadsden, Mobile, Montgomery, and Tuscaloosa), as well as in rural areas, and at wholesale to 11 municipally-owned electric distribution systems, all of which are served indirectly through sales to AMEA, and two rural distributing cooperative associations. The sales contract with AMEA will expire on December 31, 2025. In addition, Alabama Power sells, and cooperates with dealers in promoting the sale of, electric appliances and products and also markets and sells outdoor lighting services.

Georgia Power is engaged in the generation, transmission, distribution, and purchase of electricity and the sale of electric service within the State state of Georgia, at retail in over 530 cities and towns (including Athens, Atlanta, Augusta, Columbus, Macon, Rome, and Savannah), as well as in rural areas, and at wholesale to OPC, MEAG Power, Dalton, various EMCs, and non-affiliated utilities. Georgia Power also markets and sells outdoor lighting services and other customer-focused utility services.

Mississippi Power is engaged in the generation, transmission, distribution, and purchase of electricity and the sale of electric service within 23 counties in southeastern Mississippi, at retail in 123 communities (including Biloxi, Gulfport, Hattiesburg, Laurel, Meridian, and Pascagoula), as well as in rural areas, and at wholesale to one municipality, six rural electric distribution cooperative associations, and one generating and transmitting cooperative.

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The following table provides the number of retail customers served by customer classification for the traditional electric operating companies at December 31, 2023 December 31, 2024:

	Alabama Power	Alabama Power	Georgia Power	Mississippi Power	Total(*)	Alabama Power	Georgia Power	Mississippi Power(a)	Total(b)
					(in thousands)				
Residential									
Commercial									
Industrial									
Other									
Total(*)									
Total(b)									

(*) (a) Includes 423 industrial retail customers and 105 other retail customers.

(b) Totals may not add due to rounding.

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For information relating to KWH sales by customer classification for the traditional electric operating companies, see MANAGEMENT'S DISCUSSION AND ANALYSIS – RESULTS OF OPERATIONS in Item 7 herein. Also, for information relating to the sources of revenues for Southern Company, each traditional electric operating company, and Southern Power, see Item 7 herein and Note 1 to the financial statements under "Revenues – Traditional Electric Operating Companies" and " – Southern Power" and Note 4 to the financial statements in Item 8 herein.

As of December 31, 2023 December 31, 2024, there were 62 electric cooperative distribution systems operating in the territories in which the traditional electric operating companies provide electric service at retail or wholesale.

PowerSouth is a generating and transmitting cooperative selling power to several distributing cooperatives, municipal systems, and other customers in south Alabama. As of December 31, 2023 December 31, 2024, PowerSouth owned generating units with more than 1,600 2,300 MWs of nameplate capacity, including an undivided 8.16% ownership interest in Alabama Power's Plant Miller Units 1 and 2. See PROPERTIES – "Electric – Jointly-Owned Facilities" in Item 2 herein and Note 5 to the financial statements under "Joint Ownership Agreements" in Item 8 herein for additional information.

In accordance with an agreement executed in 2021, Alabama Power began providing approximately 100 MWs of year-round capacity service to PowerSouth on February 1, 2024.

In 2021, Alabama Power and PowerSouth began operations under a coordinated planning and operations agreement, with a minimum term of 10 years. The agreement includes combined operations (including joint commitment and dispatch) and real-time energy sales and purchases and is expected to create energy cost savings and enhanced system reliability for both parties. Projected revenues are expected to offset any increased administrative costs incurred by Alabama Power. Under the agreement, Alabama Power has the right to participate in a portion of PowerSouth's future incremental load growth.

Alabama Power also has a separate agreement with PowerSouth involving interconnection between their systems. The delivery of capacity and energy from PowerSouth to certain distributing cooperatives in the service territory of Alabama Power is governed by the Southern Company/PowerSouth Network Transmission Service Agreement. The rates for this service to PowerSouth are on file with the FERC.

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OPC is an EMC owned by its 38 retail electric distribution cooperatives, which provide retail electric service to customers in Georgia. OPC provides wholesale electric power to its members through its generation assets, some of which are jointly owned with Georgia Power, and power purchased from other suppliers. OPC and the 38 retail electric distribution cooperatives are members of Georgia Transmission Corporation, an EMC (GTC), which provides transmission services to its members and third parties. See PROPERTIES – "Electric – Jointly-Owned Facilities" in Item 2 herein and Note 5 to the financial statements under "Joint Ownership Agreements" in Item 8 herein for additional information regarding Georgia Power's jointly-owned facilities.

Mississippi Power has an interchange agreement with Cooperative Energy, a generating and transmitting cooperative, pursuant to which various services are provided. Cooperative Energy also has a 10-year network integration transmission service agreement with SCS for transmission service to certain delivery points on Mississippi Power's transmission system through March 31, 2031. See Note 2 to the financial statements under "Mississippi Power – Municipal and Rural Associations Tariff" in Item 8 herein for information on a separate shared service agreement between Mississippi Power and Cooperative Energy.

As of December 31, 2023 December 31, 2024, there were 72 municipally-owned electric distribution systems operating in the territory in which the traditional electric operating companies provide electric service at retail or wholesale.

As of December 31, 2023 December 31, 2024, 48 municipally-owned electric distribution systems and one county-owned system received their requirements through MEAG Power. MEAG Power serves these requirements from self-owned generation facilities, some of which are jointly-owned with Georgia Power, and purchases from other resources. MEAG Power also has a pseudo scheduling and services agreement with Georgia Power. Dalton serves its requirements from self-owned generation facilities, some of

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which are jointly-owned with Georgia Power, and through purchases from Southern Power through a service agreement. See PROPERTIES – "Electric – Jointly-Owned Facilities" in Item 2 herein and Note 5 to the financial statements under "Joint Ownership Agreements" in Item 8 herein for additional information.

Georgia Power has entered into substantially similar agreements with GTC, MEAG Power, and Dalton providing for the establishment of an integrated transmission system to carry the power and energy of all parties. The agreements require an investment by each party in the integrated transmission system in proportion to its respective share of the aggregate system load. See PROPERTIES – "Electric – Jointly-Owned Facilities" in Item 2 herein for additional information.

Southern Power has PPAs with Georgia Power, investor-owned utilities, IPPs, municipalities, electric cooperatives, and other load-serving entities, as well as commercial and industrial customers. See "The Southern Company System – Southern Power" herein and MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Southern Power's Power Sales Agreements" in Item 7 herein for additional information.

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SCS, acting on behalf of the traditional electric operating companies, also has a contract with SEPA providing for the use of the traditional electric operating companies' facilities at government expense to deliver to certain cooperatives and municipalities, entitled by federal statute to preference in the purchase of power from SEPA, quantities of power equivalent to the amounts of power allocated to them by SEPA from certain U.S. government hydroelectric projects.

Southern Company Gas

Southern Company Gas is engaged in the distribution of natural gas in four states through the natural gas distribution utilities. The natural gas distribution utilities construct, manage, and maintain intrastate natural gas pipelines and distribution facilities. Details of the natural gas distribution utilities at December 31, 2023 December 31, 2024 are as follows:

Utility	Utility	State	Number of customers	Approximate miles of pipe	Utility	State	Number of customers	Approximate miles of pipe
								(in thousands)
Nicor Gas								
Atlanta Gas Light								
Virginia Natural Gas								
Chattanooga Gas								
Total								

For information relating to the sources of revenue for Southern Company Gas, see Item 7 herein and Note 1 to the financial statements under "Revenues – Southern Company Gas" and Note 4 to the financial statements in Item 8 herein.

Competition

Electric

The electric utility industry in the U.S. United States is continuing to evolve as a result of regulatory and competitive factors. The competition for retail energy sales among competing suppliers of energy is influenced by various factors, including price, availability, technological advancements, service, and reliability. These factors are, in turn, affected by, among other influences, regulatory, political, and environmental considerations, taxation, and supply.

The retail service rights of all electric suppliers in the State state of Georgia are regulated by the Territorial Electric Service Act of 1973. Pursuant to standards set forth in this Act, the Georgia PSC has assigned substantially all of the land area in the state to a supplier. Notwithstanding such assignments, this Act provides that any new customer locating outside of 1973 municipal limits and having a connected load of at least 900 KWs may exercise a one-time choice for the life of the premises to receive electric service from the supplier of its choice.

Pursuant to the 1956 Utility Act, the Mississippi PSC issued "Grandfather Certificates" of public convenience and necessity to Mississippi Power and to six distribution rural cooperatives operating in southeastern Mississippi, then served in whole or in part by Mississippi Power, authorizing them to distribute electricity in certain specified geographically

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described areas of the state. The six cooperatives serve approximately 325,000 retail customers in a certificated area of approximately 10,300 square miles. In areas included in a "Grandfather Certificate," the utility holding such certificate may extend or maintain its electric system subject to certain regulatory approvals; extensions of facilities by such utility, or extensions of facilities into that area by other utilities, may not be made unless the Mississippi PSC grants a CPCN. Areas included in a CPCN that are subsequently annexed to municipalities may continue to be served by the holder of the CPCN, irrespective of whether it has a franchise in the annexing municipality. On the other hand, the holder of the municipal franchise may not extend service into such newly annexed area without authorization by the Mississippi PSC.

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Generally, the traditional electric operating companies have experienced, and expect to continue to experience, competition in their respective retail service territories in varying degrees from the development and deployment of alternative energy sources such as self-generation (as described below) and distributed generation technologies, as well as other factors. Further technological advancements or the implementation of policies in support of alternative energy sources may result in further competition.

Southern Power competes with investor-owned utilities, IPPs, and others for wholesale energy sales across various U.S. utility markets. The needs of these markets are driven by the demands of end users and the generation available. Southern Power's success in wholesale energy sales is influenced by various factors including reliability and availability of Southern Power's plants, availability of transmission to serve the demand, price, and Southern Power's ability to contain costs.

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As of December 31, 2023 December 31, 2024, Alabama Power had cogeneration contracts in effect with seven industrial customers. Under the terms of these contracts, Alabama Power purchases excess energy generated by such companies. During 2023, 2024, Alabama Power purchased approximately 113 million 120 million KWHs from such companies. The related costs were immaterial.

As of December 31, 2023 December 31, 2024, Georgia Power had contracts in effect to purchase alternative energy generation from 36 small IPPs. 40 IPPs within the state of Georgia. During 2023, 2024, Georgia Power purchased 5.9 billion 6.9 billion KWHs from such companies at a cost of $303 million $320 million. Georgia Power also has PPAs for electricity at cogeneration facilities with seven cogeneration facilities. six industrial customers. Payments are subject to reductions for failure to meet minimum capacity output. During 2023, 2024, Georgia Power purchased 349 million 767 million KWHs at a cost of $31 million $72 million from these facilities.

As of December 31, 2023 December 31, 2024, Mississippi Power had a cogeneration agreement in effect with one of its industrial customers. Under the terms of this contract, Mississippi Power purchases any excess generation. During 2023, 2024, Mississippi Power did not make any such purchases.

Natural Gas

Southern Company Gas' natural gas distribution utilities do not compete with other distributors of natural gas in their exclusive franchise territories but face competition from other energy products. Their principal competitors are electric utilities and fuel oil and propane providers serving the residential, commercial, and industrial markets in their service areas for customers who are considering switching to or from a natural gas appliance.

Competition for heating as well as general household and small commercial energy needs generally occurs at the initial installation phase when the customer or builder makes decisions as to which types of equipment to install. Customers generally use the chosen energy source for the life of the equipment.

Customer demand for natural gas could be affected by numerous factors, including:

- changes in the availability or price of natural gas and other forms of energy;
- general economic conditions;
- energy conservation, including state-supported energy efficiency programs;
- legislation and regulations, including certain bans on the use of natural gas in new or existing construction and electrification initiatives;
- the cost and capability to convert from natural gas to alternative energy products; and
- technological or regulatory changes resulting in displacement or replacement of natural gas appliances.

Southern Company Gas has natural gas-related programs that generally emphasize natural gas as the fuel of choice for customers and seek to expand the use of natural gas through a variety of promotional activities. In addition, Southern Company Gas partners with third-party entities to market the benefits of natural gas appliances.

Seasonality and Demand

The demand for electric power and natural gas supply is affected by seasonal differences in the weather. While the electric power sales of some electric utilities peak in the summer, others peak in the winter. In the aggregate, during normal weather conditions, the Southern Company system's electric power sales peak during both the summer and winter. In most of the areas Southern Company Gas serves, natural gas demand peaks during the winter. As a result, the overall operating results of the Registrants in the future may fluctuate substantially on a seasonal basis. In addition, the Subsidiary Registrants have historically sold less power and natural gas when weather conditions are milder.

See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "General" and – RESULTS OF OPERATIONS – "Southern Company Gas" in Item 7 herein for information regarding trends in market demand for electricity and natural gas and the impact of seasonality on Southern Company Gas' business, respectively.

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Regulation

States

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The traditional electric operating companies and the natural gas distribution utilities are subject to the jurisdiction of their respective state PSCs or applicable state regulatory agencies. These regulatory bodies have broad powers of supervision and regulation over public utilities operating in the respective states, including their rates, service regulations, sales of securities (except for the Mississippi PSC), and, in the cases of the Georgia PSC and the Mississippi PSC, in part, retail service territories. See "Territory Served by the Southern Company System" and "Rate Matters" herein for additional information.

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Federal Power Act

The traditional electric operating companies, Southern Power Company and certain of its generation subsidiaries, and SEGCO are all public utilities engaged in wholesale sales of energy in interstate commerce and, therefore, are subject to the rate, financial, and accounting jurisdiction of the FERC under the Federal Power Act. The FERC must approve certain financings and allows an "at cost standard" for services rendered by system service companies such as SCS and Southern Nuclear. The FERC is also authorized to establish regional reliability organizations which enforce reliability standards, address impediments to the construction of transmission, and prohibit manipulative energy trading practices.

Alabama Power and Georgia Power are also subject to the provisions of the Federal Power Act or the earlier Federal Water Power Act applicable to licensees with respect to their hydroelectric developments. As of December 31, 2023 December 31, 2024, among the hydroelectric projects subject to licensing by the FERC are 14 existing Alabama Power generating stations having an aggregate installed capacity of 1.7 million KWs and 17 existing Georgia Power generating stations and one generating station partially owned by Georgia Power, with a combined aggregate installed capacity of 1.1 million KWs.

In 2013, the FERC issued a new 30-year license to Alabama Power for Alabama Power's seven hydroelectric developments on the Coosa River (Weiss, Henry, Logan Martin, Lay, Mitchell, Jordan, and Bouldin). Alabama Power filed a petition requesting rehearing of the FERC order granting the relicense seeking revisions to several conditions of the license. In 2016, the FERC issued an order granting in part and denying in part Alabama Power's rehearing request. American Rivers and Alabama Rivers Alliance also filed multiple appeals of the FERC's 2013 order for the new 30-year license, and, in 2018, the U.S. Court of Appeals for the District of Columbia D.C. Circuit vacated the order and remanded the proceeding to the FERC. Alabama Power continues to operate the Coosa River developments under annual licenses issued by the FERC.

In 2021, Alabama Power filed an application with the FERC to relicense the Harris Dam project on the Tallapoosa River. The original Harris Dam project license expired on November 30, 2023, and, on December 13, 2023, in December 2023, the FERC issued an annual license for the continued operation of the Harris Dam project. The Harris Dam project will operate under annual licenses until a new long-term license is issued, which is expected by the first half of fourth quarter 2025.

In 2018, Georgia Power filed applications to surrender the Langdale and Riverview hydroelectric projects on the Chattahoochee River upon their license expirations on December 31, 2023. Although the projects are not operational, the closure of the projects is subject to the closure requirements to be enforced in accordance with future FERC surrender orders.

In 2021, On September 10, 2024, Georgia Power filed an application with the received a new 40-year FERC to relicense license for the Lloyd Shoals project on the Ocmulgee River. The current Lloyd Shoals project license expired on December 31, 2023. Subsequent to December 31, 2023, the FERC authorized Georgia Power to continue operation of the Lloyd Shoals project under the terms and conditions of the prior license until the issuance of a subsequent license.

Georgia Power and OPC also have a license, expiring in 2026, for the Rocky Mountain project, a pure pumped storage facility of 903,000 KW installed capacity. In 2021, On December 6, 2024, OPC, as an agent for co-licensees of the project, filed a notice of intent an application with the FERC to relicense the project. An application to relicense the project is expected to be filed with the FERC by December 31, 2024. See PROPERTIES – "Electric – Jointly-Owned Facilities" in Item 2 herein for additional information.

Licenses for all projects, excluding those discussed above, expire in the years 2034-2066 for Alabama Power's projects and in the years 2034-2060 for Georgia Power's projects.

Upon or after the expiration of each license, the U.S. Government, government, by act of Congress, may take over the project or the FERC may relicense the project either to the original licensee or to a new licensee. In the event of takeover or relicensing to another, the original licensee is to be compensated in accordance with the provisions of the Federal Power Act, such compensation to reflect the net investment of the licensee in the project, not in excess of the fair value of the property, plus reasonable damages to other property of the licensee resulting from the severance therefrom of the property. The FERC may grant relicenses subject to certain requirements that could result in additional costs.

The ultimate outcome of these matters cannot be determined at this time.

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Nuclear Regulation

Alabama Power, Georgia Power, and Southern Nuclear are subject to regulation by the NRC. The NRC is responsible for licensing and regulating nuclear facilities and materials and for conducting research in support of the licensing and regulatory process, as mandated by the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and the Nuclear Nonproliferation Act of 1978, as amended; and in accordance with the National Environmental Policy Act of 1969, as amended, and other applicable statutes. These responsibilities also include protecting public health and safety, protecting the environment, protecting and safeguarding nuclear materials and nuclear power plants in the interest of national security, and assuring conformity with antitrust laws.

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The NRC licenses for Georgia Power's Plant Hatch Units 1 and 2 expire in 2034 and 2038, respectively. Southern Nuclear has notified the NRC of its intent in the third quarter 2025 to seek to renew the plant's licenses for an additional 20 years (through 2054 and 2058 for Units 1 and 2, respectively). , with a license renewal application projected to be submitted by the third quarter 2025. The NRC licenses for Alabama Power's Plant Farley Units 1 and 2 expire in 2037 and 2041, respectively. Southern Nuclear has notified the NRC of its

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intent to seek to renew the plant's licenses for an additional 20 years (through 2057 and 2061 for Units 1 and 2, respectively), with a license renewal application projected to be submitted by the fourth quarter 2026. The NRC licenses for Plant Vogtle Units 1, 2, 3, and 4 expire in 2047, 2049, 2062, and 2063, respectively. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" in Item 8 herein for additional information on Plant Vogtle Units 3 and 4, including the projected in-service date for Unit 4.

See Notes 3 and 6 to the financial statements under "Nuclear Insurance" and "Nuclear Decommissioning," respectively, in Item 8 herein for additional information.

Environmental Laws and Regulations

See "Construction Programs" herein, MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Environmental Matters" in Item 7 herein, and Note 3 to the financial statements under "Environmental Remediation" and Note 6 to the financial statements in Item 8 herein for information concerning environmental laws and regulations impacting the Registrants.

Rate Matters

Rate Structure and Cost Recovery Plans

Electric

The rates and service regulations of the traditional electric operating companies are uniform for each class of service throughout their respective retail service territories. Rates for residential electric service are generally of the block type based upon KWHs used and include minimum charges. Residential and other rates contain separate customer charges. Rates for commercial service are also of the block type and, for large customers, the billing demand is generally used to determine capacity and minimum bill charges. These large customers' rates are generally based upon usage by the customer and include rates with special features to encourage off-peak usage. Additionally, Alabama Power and Mississippi Power are generally allowed by their respective state PSCs to negotiate the terms and cost of service to large customers, subject to final state PSC approval.

The traditional electric operating companies recover certain costs through a variety of forward-looking, cost-based rate mechanisms. Fuel and net purchased energy costs are recovered through specific fuel cost recovery provisions. These fuel cost recovery provisions are adjusted to reflect increases or decreases in such costs as needed or on schedules as required by the respective PSCs. Approved compliance, storm damage, and certain other costs are recovered at Alabama Power and Mississippi Power through specific cost recovery mechanisms approved by their respective PSCs. Certain similar costs at Georgia Power are recovered through various base rate tariffs as approved by the Georgia PSC. Costs not recovered through specific cost recovery mechanisms are recovered at Alabama Power and Mississippi Power through annual, formulaic cost recovery proceedings and at Georgia Power through periodic base rate proceedings.

See Note 2 to the financial statements in Item 8 herein for a discussion of rate matters and certain cost recovery mechanisms. Also see "Integrated Resource Planning" herein for additional information.

The traditional electric operating companies and Southern Power Company and certain of its generation subsidiaries are authorized by the FERC to sell power to non-affiliates, including short-term opportunity sales, at market-based prices. Specific FERC approval must be obtained with respect to a market-based contract with an affiliate.

Mississippi Power provides service under long-term contracts with rural electric cooperative associations and a municipality located in southeastern Mississippi under requirements cost-based electric tariffs which are subject to regulation by the FERC. The contracts with these wholesale customers represented 14.0% 13.9% of Mississippi Power's total operating revenues in 2023. 2024.

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Natural Gas

Southern Company Gas' natural gas distribution utilities are subject to regulation and oversight by their respective state regulatory agencies. Rates charged to customers vary according to customer class (residential, commercial, or industrial) and rate jurisdiction. These agencies approve rates designed to provide the opportunity to generate revenues to recover all prudently-incurred costs, including a return on rate base sufficient to pay interest on debt and provide a reasonable ROE.

With the exception of Atlanta Gas Light, the earnings of the natural gas distribution utilities can be affected by customer consumption patterns that are largely a function of weather conditions and price levels for natural gas. The natural gas distribution utilities have weather or revenue normalization mechanisms that mitigate revenue fluctuations from customer consumption changes. Atlanta Gas Light operates in a deregulated environment in which Marketers rather than a traditional utility sell natural gas to end-use customers and earns revenue by charging rates to its customers based primarily on monthly fixed charges that are set by the Georgia PSC.

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In addition to natural gas cost recovery mechanisms, other cost recovery mechanisms and regulatory riders, which vary by utility, allow recovery of certain costs, such as those related to infrastructure replacement programs as well as environmental remediation, energy efficiency plans, and bad debts.

See Note 2 to the financial statements under "Southern Company Gas" in Item 8 herein for a discussion of rate matters and certain cost recovery mechanisms.

Integrated Resource Planning

Each of the traditional electric operating companies continually evaluates its electric generating resources in order to ensure that it maintains a cost-effective and reliable mix of resources to meet the existing and future demand requirements of its customers. In addition, each year the Southern Company system engages in a scenario planning process, developing scenarios which look out over a 30-year horizon. In 2023, 2024, scenarios included a wide range of fuel prices, load growth, and CO_2 prices starting between $0 and $50 per metric ton of CO_2 emitted and escalating over the 30-year horizon. See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Environmental Matters" in Item 7 herein for a discussion of existing and potential environmental regulations that may impact the future generating resource needs of the traditional electric operating companies, as well as a discussion of the Southern Company system's continued generating fleet transition.

Alabama Power

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Triennially, Alabama Power provides an IRP report to the Alabama PSC. This report overviews Alabama Power's resource planning process and contains information that serves as the foundation for certain decisions affecting Alabama Power's portfolio of supply-side and demand-side resources. The IRP report facilitates Alabama Power's ability to provide reliable and cost-effective electric service to customers, while accounting for the risks and uncertainties inherent in planning for resources sufficient to meet expected customer demand. Under State of Alabama law, a CCN must be obtained from the Alabama PSC before Alabama Power constructs any new generating facility, unless such construction is an ordinary extension of an existing system in the usual course of business. Alabama Power provided its most recent IRP to the Alabama PSC during 2022. On October 30, 2024, Alabama Power filed a petition for a CCN with the Alabama PSC for authorization to procure additional generating capacity through the acquisition of the Lindsay Hill Generating Station. Alabama Power expects to complete the acquisition by the end of the third quarter 2025. See Note 2 to the financial statements under "Alabama Power – Rate CNP New Plant" Petition for Certificate of Convenience and Necessity" in Item 8 herein for additional information.

Georgia Power

Triennially, Georgia Power must file an IRP with the Georgia PSC that specifies how it intends to meet the future electric service needs of its customers through a combination of demand-side and supply-side resources. The Georgia PSC, under state law, must certify any new demand-side or supply-side resources for Georgia Power to receive cost recovery. Once certified, the lesser of actual or certified construction costs and purchased power costs is recoverable through rates. Certified costs may be excluded from recovery only on the basis of fraud, concealment, failure to disclose a material fact, imprudence, or criminal misconduct. In July 2022, the Georgia PSC approved Georgia Power's 2022 IRP, as modified by a stipulated agreement stipulation among Georgia Power, the staff of the Georgia PSC, and certain intervenors and as further modified by the Georgia PSC. On October 27, 2023 April 16, 2024, the Georgia PSC approved Georgia Power's updated IRP as modified by a stipulation among Georgia Power, the staff of the Georgia PSC, and certain intervenors. On January 31, 2025, Georgia Power filed an updated its triennial IRP (2023 IRP Update) with the Georgia PSC, which sets forth a plan to support the recent increase in the state of Georgia's projected energy needs since the 2022 IRP. Georgia Power expects the Georgia PSC to render a final decision on the 2023 IRP Update on April 16, 2024. PSC. The ultimate outcome of this matter cannot be determined at this time. See Note 2 to the financial statements under "Georgia Power – Integrated Resource Plans" and " – Rate Plans" in Item 8 herein for additional information. Also see Note 2

Table of ContentsIndex to the financial statements under "Georgia Power – Nuclear Construction" in Item 8 herein for additional information on the Georgia Nuclear Energy Financing Act and the Georgia PSC certification of Plant Vogtle Units 3 and 4, which have allowed Georgia Power to recover certain financing costs for construction of Plant Vogtle Units 3 and 4. Financial Statements

Mississippi Power

Triennially, Mississippi Power must file an IRP with the Mississippi PSC, as well as an update at approximately the mid-point of the three-year cycle. The IRP must include long-term plans to best meet the needs of electric utility customers through a combination of demand-side and supply-side resources and considering transmission needs. The IRP filing is not intended to supplant or replace the Mississippi PSC's existing regulatory processes for petition and approval of CPCNs for new generating resources. On April 26, 2024, Mississippi Power filed its 2024 IRP with the Mississippi PSC. The Mississippi PSC did not note any deficiencies within the prescribed 120-day review period; therefore, the filing is concluded. The 2024 IRP included a schedule to retire Plant Watson Unit 4 and Plant Greene County Units 1 and 2 and to retire early Plant Daniel Units 1 and 2, all by the end of 2028, which is consistent with the completion of Mississippi Power's most recent IRP was filed affiliate PPA with Georgia Power. On January 9, 2025, Mississippi Power notified the Mississippi PSC of its intent to extend the retirement date of Plant Daniel Unit 2 and potentially extend the retirement dates of other fossil steam units beyond their current 2028 retirement dates in 2021 and the next IRP is expected order to be filed in April 2024. serve recently signed economic development loads of approximately 600 MWs. Mississippi Power must also file an annual report on energy delivery improvements, the latest of which was filed in November 2023. 2024. See Note 2 to the financial statements under "Mississippi Power – Integrated Resource Plan" Plans" and " – Plant Daniel" in Item 8 herein for additional information.

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Human Capital

Southern Company system management is committed to attracting, developing, and retaining a sustainable workforce and aims to foster a diverse, equitable, inclusive, and innovative culture. culture of belonging where all employees feel valued. The Southern Company system's values – safety first, intentional inclusion, act with integrity, and superior performance – guide behavior. The Southern Company system had approximately 28,100 28,600 employees on its payroll at December 31, 2023 December 31, 2024 comprised of the following:

	At December 31, 2023 December 31, 2024(*)
Alabama Power	6,200
Georgia Power	6,600 6,800
Mississippi Power	1,000
Southern Power	500
Southern Company Gas	4,800 4,900
SCS	4,200 4,400
Southern Nuclear	3,800 3,700
PowerSecure and other	1,000 1,100
Total Southern Company system	28,100 28,600

(*) Numbers are rounded to 100s.

All Southern Company system employees are located within the United States. Part-time employees represent less than 1% of total employees.

Southern Company system management values a diverse, equitable, an inclusive and inclusive innovative workforce. Southern Company's subsidiaries have policies, programs, and processes to help ensure that all groups are represented, included and fairly treated across all job levels. The Southern Company system encourages different ideas and points of view, and its Code of Ethics affirms its expectation that employees treat each other with fairness, respect, and dignity. The Southern Company Board of Directors and management

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believe that diversity is diverse perspectives and experiences are important to provide different perspectives on help inform management of risk, business strategy, and innovation. Southern Company management leads the Southern Company system's diversity, equity, and intentional inclusion initiatives and employee recruitment, retention, and development efforts. The Board, principally through its Compensation and Talent Development Committee, oversees these efforts. Southern Company system management utilizes its "Moving to Equity" initiative that focuses on five key areas: talent, work environment, supplier inclusion, civic engagement, and community investment and social justice. This initiative demonstrates the Southern Company system's commitments, highlights key results, and tracks progress on long-term goals.

Southern Company system management supports employee resource various employee-led groups diversity councils, and facilitates mentoring programs and inclusion teams to provide formal and informal networks of colleagues that can help promote belonging, improve employee retention, and support development. At December 31, 2023 December 31, 2024, people of color and women represented 30% 31% and 25% 26%, respectively, of the Southern Company system's workforce.

Southern Company system management recognizes the importance of attracting and retaining an appropriately qualified workforce. Southern Company system management uses a variety of strategies to attract and retain talent, including working with high schools, technical schools, universities, and military installations to fill many entry-level positions. The recruiting strategy also includes partnerships with professional associations and local communities to recruit mid-career talent. The addition of external hires augments the existing workforce to meet changing business needs, address any critical skill gaps, and supplement and diversify enhance the Southern Company system's talent pipeline.

The Southern Company system supports the well-being of its employees through a comprehensive total rewards strategy with three measurable categories: physical, financial, and emotional well-being. The Southern Company system provides competitive salaries, annual incentive awards for nearly all employees, and health, welfare, and retirement benefits. The Southern Company system has a qualified defined benefit, trusteed pension plan and a qualified defined contribution, trusteed 401(k) plan which provides a competitive company matching company-matching contribution. Substantially all Southern Company system employees are eligible to participate in these plans. There are differences between the pension plan benefit formulas based on when and by which subsidiary an employee is hired. See Note 11 to the financial statements in Item 8 herein for additional information. At December 31, 2023 December 31, 2024, the average age of the Southern Company system employees was 44 and the average tenure with the Southern Company system was 14 years. Turnover rate, calculated as the percent of employees that terminated employment with the Southern Company system, including voluntary and involuntary terminations and retirements, divided by total employees, was 8.3% 7.2%.

Southern Company system management is committed to developing talent and helping employees succeed by providing development opportunities along with purposeful people moves as part of individual development plans and succession planning processes. The Southern Company system has multiple development programs, including programs targeted toward all

employees, high potential employees, first-level managers, managers of managers, and executives. Additionally, Southern Company system management strives to deliver consistent needs-based training and solutions as workplace needs evolve.

Southern Company system management believes the safety of employees and customers is paramount. The Southern Company system seeks to meet or exceed applicable laws and regulations while continually improving its safety technologies and processes. The Southern Company System Safety and Health Council, which includes leaders from each Registrant, works collectively across the Southern Company system to provide safety leadership, share learning, work collaboratively to address safety-related issues, and govern the consistency of safety programs. The safety programs are focused on the prevention and elimination of life-altering events, serious injuries, and fatalities. These programs include continuous process improvements to put critical controls in place to prevent serious injuries, promote learning, and implement appropriate corrective actions. In 2023, Southern Company's safety metrics include the Southern Company system had zero fatalities and a serious injury rate and the number of 0.06, which fatalities. The serious injury rate represents the number of incidents per 100 employees (calculated and is calculated by taking the number of serious injuries multiplied by 200,000 workhours and divided dividing by the total employee workhours during the year). year. In 2024, the Southern Company system had a serious injury rate of 0.05, among its lowest rate in the past five years. Unfortunately, the Southern Company system had two fatalities in 2024. A serious injury is one that is life-threatening or life-changing (temporary or permanent) for the employee. Serious injury examples, as defined by applicable safety regulators, include fatalities, amputations, trauma to organs, certain bone fractures, certain soft tissue injuries, severe burns, and eye injuries.

The Southern Company system also has longstanding relationships with labor unions. The traditional electric operating companies, Southern Nuclear, and the natural gas distribution utilities have separate agreements with local unions of the IBEW, which generally apply to operating, maintenance, and construction employees. These agreements cover wages, benefits, terms of the pension plans, working conditions, and procedures for handling grievances and arbitration. The Southern Company system also partners with the IBEW to provide training programs to develop technical skills and career opportunities.

At December 31, 2023 December 31, 2024, approximately 32% of Southern Company system employees were covered by agreements with unions, with agreements expiring between 2024 2025 and 2029.

Item 1A. RISK FACTORS

In addition to the other information in this Form 10-K, including MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL in Item 7, and other documents filed by Southern Company and/or its subsidiaries with the SEC, the following factors should be carefully considered in evaluating Southern Company and its subsidiaries. Such factors could affect actual results and cause results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, Southern Company and/or its subsidiaries. The risk factors discussed below could adversely affect a Registrant's results of operations, financial condition, liquidity, and cash flow, as well as cause reputational damage.

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UTILITY REGULATORY, LEGISLATIVE, AND LITIGATION RISKS

Southern Company and its subsidiaries are subject to substantial federal, state, and local governmental regulation, including with respect to rates. Compliance with current and future regulatory requirements and procurement of necessary approvals, permits, and certificates may result in substantial costs to Southern Company and its subsidiaries.

Laws and regulations govern the terms and conditions of the services the Southern Company system offers, protection of critical electric infrastructure assets, transmission planning, reliability, pipeline safety, interaction with wholesale markets and retail customers, and relationships with affiliates, among other matters. The Registrants' businesses are subject to regulatory regimes which could result in substantial monetary penalties if a Registrant is found to be noncompliant.

The profitability of the traditional electric operating companies' and the natural gas distribution utilities' businesses is largely dependent on their ability, through the rates that they are permitted to charge, to recover their costs and earn a reasonable rate of return on invested capital. The traditional electric operating companies and the natural gas distribution utilities seek to recover their costs, including a reasonable return on invested capital, through their retail rates, which must be approved by the applicable state PSC or other applicable state regulatory agency. Such regulators, in a future rate proceeding, may alter the timing or amount of certain costs for which recovery is allowed or modify the current authorized rate of return; rate refunds may also be required. The outcome of any such proceeding could be impacted by a variety of factors, including the level of opposition from intervenors, potential impacts to customers, and past or future changes in the political, regulatory, economic, or legislative environment. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects – Nicor Gas" and "Southern Company Gas – Rate Proceedings – Nicor Gas" in Item 8 herein for additional information.

Additionally, the rates charged to wholesale customers by the traditional electric operating companies and Southern Power and the rates charged to natural gas transportation customers by Southern Company Gas' pipeline investments must be approved by the FERC. Changes to Southern Power's and the traditional electric operating companies' ability to conduct business pursuant to FERC market-based rate authority could affect wholesale rates. Also, while a small percentage of transmission costs are recovered through wholesale electric tariffs, the majority are recovered through retail rates. Transmission planning and the resulting grid improvements could be impacted by FERC policy changes as well as North American Electric Reliability Corporation planning standard changes.

The IRA, among other items, imposes a 15% corporate minimum tax CAMT on book adjusted financial statement income, as defined in the law, and is subject to the issuance of additional guidance by the U.S. Treasury Department and the IRS. Any rate recovery by the traditional electric operating companies or the natural gas distribution utilities subject to the CAMT will be determined pursuant to the regulatory processes of the FERC, state PSCs, or other applicable state regulatory agencies. There is no assurance, however, that such tax expense will be recoverable through the applicable regulatory process.

The Registrants are unable to predict changes in laws or regulations, regulatory guidance, legal interpretations, policy positions, and implementation actions that may result from the change in presidential administrations. The impact of any future revision or changes in interpretations of existing regulations or the adoption of new laws and regulations applicable to Southern Company or any of its subsidiaries is uncertain. Changes in regulation, the imposition of additional regulations, changes in application of existing regulations and in enforcement practices of regulators, as well as associated litigation, or penalties imposed for noncompliance with existing laws or regulations could influence the operating environment of the Southern Company system and may result in substantial costs.

The Southern Company system's costs of compliance with environmental laws and satisfying related AROs are significant.

The Southern Company system's operations are regulated by state and federal environmental agencies through a variety of laws and regulations governing air, GHGs, water, land, avian and other wildlife and habitat protection, and other natural resources. Compliance with existing environmental requirements involves significant capital and operating costs including the settlement of AROs, a major portion of which is expected to be recovered through retail and wholesale rates. There is no assurance,

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however, that all such costs will be recovered. The Registrants expect future compliance expenditures will continue to be significant.

The EPA has adopted and is implementing regulations governing air and GHG emissions under the Clean Air Act and water quality under the Clean Water Act. The EPA and certain states have also adopted and continue to propose regulations governing the disposal and management of CCR at power plant sites under the Resource Conservation and Recovery Act and applicable state laws. The cost estimates for AROs related to the disposal of CCR are based on information using various assumptions

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related to closure and post-closure costs, timing of future cash outlays, inflation and discount rates, and the potential compliance methods. The traditional electric operating companies will continue to periodically update their ARO cost estimates and those updates could be material.

Additionally, environmental laws and regulations covering the handling and disposal of waste and release of hazardous substances could require the Southern Company system to incur substantial costs to clean up affected sites, including certain current and former operating sites, and locations subject to contractual obligations.

Litigation over environmental issues and claims of various types, including property damage, personal injury, and citizen enforcement of environmental requirements, has occurred throughout the United States. This litigation has included, but is not limited to, claims for damages alleged to have been caused by CO_2 and other emissions, CCR, releases of regulated substances, alleged exposure to regulated substances, and/or requests for injunctive relief in connection with such matters.

Compliance with any new or revised environmental laws or regulations could affect many areas of operations for the Southern Company system. The Southern Company system's ultimate environmental compliance strategy and future environmental expenditures will depend on various factors, such as state adoption and implementation of requirements, the availability and cost of any deployed control technology, fuel prices, and the outcome of pending and/or future legal challenges. Compliance costs may result from the installation of additional environmental controls, closure and monitoring of CCR facilities, unit retirements and replacements, operational changes, or changing fuel sources for certain existing units, as well as related upgrades to the Southern Company system's transmission and distribution (electric and natural gas) systems. Environmental compliance spending over the next several years may differ materially from the amounts estimated and could adversely affect the Registrants if such costs cannot continue to be recovered on a timely basis. Further, increased costs that are recovered through regulated rates could contribute to reduced demand for electricity and natural gas. Additionally, many commercial and industrial customers may also be affected by existing and future environmental requirements, which for some may have the potential to reduce their demand for electricity or natural gas.

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The Southern Company system may be exposed to regulatory and financial risks related to the impact of GHG legislation, regulation, and emission reduction goals.

Concern and activism about climate change continue to increase and, as a result, demand for energy conservation and sustainable assets could further increase. Additionally, costs associated with GHG legislation, regulation, and emission reduction goals could be significant and there is no assurance such costs would be fully recovered through regulated rates or PPAs.

The Southern Company system has processes for identifying, assessing, and responding to climate-related risks, including a scenario planning process that is used to inform resource planning decisions in the states in which the traditional electric operating companies operate. This process relies on information and assumptions from internal and external sources, which may or may not be accurate in predicting future outcomes.

Additional GHG policies, including legislation, may emerge requiring the United States to accelerate its transition to a lower GHG emitting economy. The ultimate impact will depend on various factors, such as state adoption and implementation of requirements, natural gas prices, the development, deployment, and advancement of relevant energy technologies, the ability to recover costs through existing ratemaking provisions, and the outcome of pending and/or future legal challenges.

The SEC has proposed adopted new rules relating to the disclosure of climate-related matters. matters, but has stayed their effectiveness pending judicial review. If the proposed these rules, or similar rules, are enacted, become effective, the Registrants could incur increased costs to comply with these new rules and could face increased risk of litigation related to disclosures made pursuant to the rules.

Because natural gas is a fossil fuel with lower carbon content relative to other fossil fuels, future carbon constraints, including, but not limited to, the imposition of a carbon tax, may create additional demand for natural gas, both for production of electricity and direct use in homes and businesses. However, such demand may be tempered by legislation limiting the use of natural gas in certain circumstances, including use in new construction and certain household appliances. Additionally, efforts to electrify the transportation, building, and other sectors may result in higher electric demand and negatively impact natural gas demand. For example, throughout 2024 Nicor Gas' regulator, the Illinois Commission, has ordered a conducted "future of natural gas" proceeding proceedings to explore the recommendations involved with decarbonization of the gas distribution system in Illinois. In addition, future GHG constraints, including those related to methane emissions, designed to minimize emissions from natural

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gas could likewise result in increased costs to the Southern Company system and affect the demand for natural gas as well as the prices charged to customers and the competitive position of natural gas.

Southern Company has established an intermediate goal of a 50% reduction in GHG emissions from 2007 levels by 2030 and a long-term goal of net zero GHG emissions by 2050. Achievement of these goals is dependent on various factors, many factors, of which the Southern Company system does not control, including load growth across the Southern Company system's service territory, energy policy and regulations, natural gas prices, and the pace and extent of development and deployment of low- to no-GHG energy technologies and negative carbon concepts. The strategy to achieve these goals also relies on continuing to pursue a diverse portfolio including

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low-carbon and carbon-free resources and energy efficiency resources; customer demand for carbon-free energy; continuing to economically transition the Southern Company system's generating fleet through a diverse portfolio of resources including low-carbon and carbon-free resources; making the necessary related investments in transmission and distribution systems; continuing to implement effective energy efficiency and demand response programs; customer demand for carbon-free energy; implementing initiatives to reduce natural gas distribution emissions; continuing research and development with a particular focus on technologies that lower GHG emissions, including methods of removing carbon from the atmosphere; and constructively engaging with policymakers, regulators, investors, customers, and other stakeholders to support outcomes leading to a net zero future. There can be is no guarantee that the Southern Company system will achieve these goals.

See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Environmental Matters – Environmental Laws and Regulations – Greenhouse Gases" in Item 7 herein for additional information.

OPERATIONAL RISKS

The financial performance of Southern Company and its subsidiaries may be adversely affected if the subsidiaries are unable to successfully operate their facilities or perform certain corporate functions.

The financial performance of Southern Company and its subsidiaries depends on the successful operation of the electric generation, transmission, and distribution facilities, natural gas distribution facilities, and distributed generation storage technologies and the successful performance of necessary corporate functions. There are many risks that could affect these matters, including operator error or failure of equipment or processes, accidents, operating limitations that may be imposed by environmental or other regulatory requirements or in connection with joint owner arrangements, labor disputes, physical attacks, fuel or material supply interruptions and/or shortages, transmission disruption or capacity constraints, including with respect to the Southern Company system's and third parties' transmission, storage, and transportation facilities, inability to maintain reliability consistent with customer expectations as the traditional electric operating companies and Southern Power transition their generating fleets in support of the Southern Company system's net zero goal, compliance with mandatory reliability standards, including mandatory cyber security standards, implementation of new technologies, technology system failures, cyber intrusions, environmental events, such as spills or releases, supply chain disruptions, inflation, and catastrophic events such as fires, including wildfires, earthquakes, explosions, floods, tornadoes, hurricanes and other storms, droughts, pandemic health events, wars, political unrest, or other similar occurrences.

Operation of nuclear facilities involves inherent risks, including environmental, safety, health, regulatory, natural disasters, cyber intrusions, physical attacks, and financial risks, that could result in fines or the closure of the nuclear units owned by Alabama Power or Georgia Power and which may present potential exposures in excess of insurance coverage.

Alabama Power owns, and contracts for the operation of, two nuclear units and Georgia Power holds undivided interests in, and contracts for the operation of, five existing six nuclear units. The seven existing eight units are operated by Southern Nuclear and represented approximately 27% 25% and 29% 34% of the total KWHs generated by Alabama Power and Georgia Power, respectively, in the year ended December 31, 2023 December 31, 2024. In addition, Southern Nuclear, on behalf of Georgia Power and the other Vogtle Owners, is managing the construction and start-up of Plant Vogtle Unit 4. Nuclear facilities are subject to environmental, safety, health, operational, and financial risks such as: the

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potential harmful effects on the environment and human health and safety resulting from a release of radioactive materials; uncertainties with respect to the ability to dispose of spent nuclear fuel and the need for longer term on-site storage; uncertainties with respect to the technological and financial aspects of decommissioning nuclear plants at the end of licensed lives or license extensions and the ability to maintain and anticipate adequate capital reserves for decommissioning; limitations on the amounts and types of insurance commercially available to cover losses that might arise in connection with nuclear operations; and significant capital expenditures relating to maintenance, operation, security, and repair of these facilities.

Damages, decommissioning, or other costs could exceed the amount of decommissioning trusts or external insurance coverage, including statutorily required nuclear incident insurance.

The NRC has broad authority under federal law to impose licensing and safety-related requirements for the operation of nuclear facilities. In the event of non-compliance, the NRC has the authority to impose fines and/or shut down any unit, depending upon its assessment of the severity of the situation, until compliance is achieved. NRC orders or regulations related to increased security measures and any future NRC safety requirements could require Alabama Power and Georgia Power to make substantial operating and capital expenditures at their nuclear plants. In addition, if a major nuclear incident were to occur, it

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could result in substantial costs to Alabama Power or Georgia Power and Southern Company. A major incident at a nuclear facility anywhere in the world could cause the NRC to require additional safety measures. Moreover, a major incident at any nuclear facility in the United States, including facilities owned and operated by third parties, could require Alabama Power and Georgia Power to make material contributory payments.

In addition, actual or potential threats of cyber intrusions or physical attacks could result in increased nuclear licensing or compliance costs.

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Generation, transmission, and distribution of electricity and transportation and storage of natural gas involve risks that may result in accidents and other operating risks and costs. costs and that may present potential exposures in excess of insurance coverage.

The Southern Company system's electric generation, transmission, and distribution and natural gas distribution and storage activities involve a variety of inherent hazards and operating risks, such as accidents, explosions, fires, mechanical problems, discharges or releases of toxic or hazardous substances or gases, and other environmental risks. These incidents could result in serious injury, loss of life, significant damage to property, environmental pollution, and disruption of the Southern Company system's operations. The location of electric generation, transmission, and distribution infrastructure and natural gas pipelines and underground natural gas storage facilities near populated areas could increase the level of damage and liability resulting from any incidents. Additionally, electric generation, transmission, and distribution infrastructure and natural gas pipelines and underground natural gas storage facilities are subject to various state and other regulatory requirements. Failure to comply with these requirements could result in substantial monetary penalties. penalties, which could exceed the amount of insurance coverage.

Physical attacks, both threatened and actual, could impact the ability of the Subsidiary Registrants to operate.

The Subsidiary Registrants face the risk of physical attacks, both threatened and actual, against their respective generation and storage facilities and the transmission and distribution infrastructure used to transport energy, which could negatively impact their ability to generate, transport, and deliver power, or otherwise operate their respective facilities, or, with respect to Southern Company Gas, its ability to distribute or store natural gas, or otherwise operate its facilities, in the most efficient manner or at all. Transmission and distribution infrastructure can be vulnerable to physical attack because it is often unmanned, widely dispersed, and located in isolated areas. The risk of physical attack may escalate during periods of heightened geopolitical tensions. In addition, physical attacks against third-party providers could have a similar effect on the Southern Company system.

Despite the implementation of robust security measures, all assets are potentially vulnerable to disability, failures, failure, or unauthorized access due to human error, natural disasters, disaster, technological failure, or internal or external physical attacks. attack. If assets were to fail, be physically damaged, or be breached and were not restored in a timely manner, the affected Subsidiary Registrant may be unable to fulfill critical business functions. Insurance may not be adequate to cover any associated losses.

An information security incident, including a cybersecurity breach, or the failure of, or inability to remotely access, one or more key technology systems, networks, or processes could impact the ability of the Registrants to operate.

The Subsidiary Registrants operate in highly regulated industries that require the continued operation of sophisticated technology systems and network infrastructure, which are part of interconnected systems. Because of the critical nature of the infrastructure and the technology systems' inherent vulnerability to disability or failures failure due to hacking, viruses, virus, denial of service, ransomware, acts act of war or terrorism, or other types type of data security breaches, breach, the Registrants face a heightened risk of cyberattack. Remote In addition, the increased use of smartphones, tablets, and other wireless devices, as well as remote working arrangements, may also increase the Registrants' data security risks. Additionally, the Registrants' field workforces use mobile technology, which have fewer security measures than the Registrants' wired networks. Portions of the Registrants' system data, architecture, and other materials may also be disclosed, either intentionally or unintentionally, to third parties and the public by regulators, employees, contractors, and vendors. This system information may be used by malicious actors to understand the Registrants' systems to prepare for a cyberattack. In addition, unpatched software or network vulnerabilities, including those resulting from the use of end-of-life operating systems, could be leveraged by an attacker.

Cyber actors, including those associated with foreign governments, have attacked and threatened to attack energy infrastructure. Various regulators have increasingly stressed that these attacks, including ransomware attacks, and attacks targeting utility systems and other critical infrastructure, are increasing growing in sophistication, magnitude, and frequency. In particular, certain actors, such as nation-state and state-sponsored actors, can deploy significant resources and employ sophisticated methods to plan and carry out attacks. Risk of these attacks may escalate during periods of heightened geopolitical tensions, such as those caused by the war in Ukraine and conflicts in the Middle East.

The Registrants and their third-party vendors have been subject, and will likely continue to be subject, to attempts to gain unauthorized access to their technology systems and confidential data or to attempts to disrupt utility and related business operations. While there have been immaterial incidents of phishing, unauthorized access to technology systems, financial fraud, and disruption of remote access across the Southern Company system, there has been no material impact on business the Registrants or

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their operations from these attacks. However, the Registrants cannot guarantee that security efforts will have the maturity to detect or prevent breaches, operational incidents, or other breakdowns of technology systems and network infrastructure. This is infrastructure, especially true in the event the Registrants are targeted by a sophisticated attacker with significant resources, such as a nation-state or state-sponsored actor. As artificial intelligence continues to evolve, new technologies and increased computing power could lead to new attack techniques and more sophisticated attacks. Further, the Registrants do not have security visibility into all operational technology communications and processes, do not maintain completely exhaustive inventories of assets and applications, and do not centrally manage or monitor all technologies, applications, and environments, which could negatively affect preparation for, investigation of, or response to an information security incident. Accordingly, the Registrants cannot provide any assurance that information security incidents will not have a material adverse effect in the future.

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In addition, in the ordinary course of business, Southern Company and its subsidiaries collect and retain sensitive information, including personally identifiable information about customers, employees, and stockholders, and other confidential information. In some cases, administration of certain functions may be outsourced to third-party service providers. Malicious actors may target these providers, as well as other vendors, to disrupt the or compromise services they provide and products. Such third-party vendors have been increasingly used as attack vectors in efforts to the Registrants, or to use those third parties to attack target critical infrastructure, including that of the Registrants. The Registrants do not cannot fully assess the security maturity of all third-party service providers vendors and such third-party service providers vendors could fail to establish adequate risk management and information security measures with respect to their systems and/or could fail to timely notify the Registrants of an information security incident.

Internal or external cyberattacks may have wide-reaching impacts due to incomplete segmentation among network assets and/or reliance of segmented networks on a disrupted network, inhibit the affected Registrant's ability to fulfill critical business functions, including energy delivery service failures, compromise sensitive and other data, violate privacy laws, and lead to customer dissatisfaction. Any cyber breach or theft, damage, or improper disclosure of sensitive electronic data may also subject the affected Registrant to penalties and claims from regulators or other third parties. Any violations of applicable laws and regulations could lead to material losses, both financial and reputational. Insurance may not be adequate to cover any associated losses. losses, and there is no assurance that such losses would be recovered through customer rates. Additionally, the cost and operational consequences of implementing, maintaining, and enhancing system protection measures are significant, and they could materially increase to address ever changing intense, complex, and sophisticated cyber risks.

The Southern Company system may not be able to obtain adequate natural gas, fuel supplies, and other resources required to operate the traditional electric operating companies' and Southern Power's electric generating plants or serve Southern Company Gas' natural gas customers.

SCS, on behalf of the traditional electric operating companies and Southern Power, purchases fuel for the Southern Company system's generation fleet from a diverse set of suppliers. Southern Company Gas' primary business is the distribution of natural gas through the natural gas distribution utilities. Natural gas is delivered daily from different regions of the country. This daily supply is complemented by natural gas supplies stored in both company-owned and third party third-party storage locations. To deliver this daily supply and stored natural gas, the Southern Company system has firm transportation capacity contracted with third party third-party interstate pipelines. pipelines while Southern Company Gas utilizes its own pipeline network. Disruption in the supply and/or delivery of fuel as a result of matters such as transportation delays, weather, labor relations, natural disasters, cyber or physical attacks, other force majeure events, or environmental regulations affecting fuel suppliers could limit the ability of the traditional electric operating companies and Southern Power to operate certain facilities, which could impact reliability and result in higher fuel and operating costs, and the ability of Southern Company Gas to serve its natural gas customers.

The traditional electric operating companies are also dependent on coal, and related coal supply contracts, for a portion of their electric generating capacity. The counterparties to coal supply contracts may not fulfill their obligations to supply coal because of financial or technical problems. In addition, the suppliers and/or railroads may be delayed in supplying or delivering or may not be required to supply or deliver coal under certain circumstances, such as in the event of a natural disaster. If the traditional electric operating companies are unable to obtain their contracted coal requirements, they may be required to purchase additional coal at higher prices or limit coal generation, and these increased costs may not be recoverable through rates if deemed to be imprudently incurred. Coal deliveries continued to be delayed early in 2023, which has largely been attributed to labor shortages in the railroad industry. Service levels improved over the course of 2023 and deliveries returned to normal levels by the end of 2023. As coal-fired generating facilities are retired, the demand for coal is expected to continue to decline. As a result, railroads may commit fewer resources to coal transportation, which could increase these risks.

Whereas fuel oil directly provides only a small portion of the Southern Company system's annual generation, its importance to the reliability of the Southern Company system's generation portfolio continues to grow. Over the last few years, related cost increases and supply chain challenges have become more common and may increase the risk of reliability challenges.

The traditional electric operating companies and Southern Power have been increasing their renewable resources and expect to continue to add renewable capacity in the future. The production of energy from wind and solar facilities depends heavily on suitable weather conditions, which are variable. Wind conditions or solar irradiance that are unfavorable or below the Southern Company system's estimates can cause electricity production to be substantially below expectations.

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In addition to fuel supply and suitable weather conditions, the traditional electric operating companies and Southern Power also need adequate access to water, which is drawn from nearby sources, to aid in the production of electricity. Any impact to their water resources could also limit the ability of the traditional electric operating companies and Southern Power to operate certain facilities, which could result in higher fuel and operating costs.

The revenues of Southern Company, the traditional electric operating companies, and Southern Power depend in part on sales under PPAs, the success of which depend on PPA counterparties performing their obligations, Southern Company subsidiaries satisfying minimum requirements under the PPAs, and renewal or replacement of the PPAs for the related generating capacity.

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Most of Southern Power's generating capacity has been sold to purchasers under PPAs with Southern Power's top three customers comprising approximately 19% 24% of Southern Power's total revenues for the year ended December 31, 2023 December 31, 2024. The In addition to Mississippi Power's PPA with Georgia Power, the traditional electric operating companies have entered into PPAs with non-affiliated parties for the sale of generating capacity.

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The revenues related to PPAs are dependent on the continued performance by the purchasers of their obligations. Although the credit evaluations undertaken and contractual protections implemented by Southern Power and the traditional electric operating companies take into account the possibility of default by a purchaser, actual exposure to a default by a purchaser may be greater than predicted or specified in the applicable contract.

Additionally, neither Southern Power nor any traditional electric operating company can predict whether the PPAs will be renewed at the end of their respective terms or on what terms any renewals may be made. If a Registrant is unable to replace expiring PPAs with an acceptable new revenue contract, it may be required to sell the power produced by the facility at wholesale prices and be exposed to market fluctuations and risks, or the affected site may temporarily or permanently cease operations. operations, which may result in impairment charges. The failure to satisfy minimum operational or availability requirements under these PPAs, including PPAs related to projects under construction, could result in payment of damages or termination of the PPAs.

Increased competition from other companies that supply energy or generation and storage technologies and changes in customer demand for energy could negatively impact Southern Company and its subsidiaries.

The traditional electric operating companies operate under a business model that invests capital to serve customers and recovers those investments and earns a return for investors through state regulation. Southern Power's business model is primarily focused on investing capital or building energy assets to serve creditworthy counterparties using a bilateral contract model. A key premise of these business models is that generating power at power plants achieves economies of scale and produces power at a competitive cost.

Customers and stakeholders are increasingly focused on the Registrants' ability to meet rapidly changing demands for new and varied products, services, and offerings. Additionally, the risk of global climate change continues to shape customers' and stakeholders' sustainability goals and energy needs.

New technologies such as distributed energy resources and microgrids and increased customer and stakeholder demand for sustainable assets could change the type of assets constructed and/or the methods for cost recovery. Advances in these technologies or changes in laws or regulations could reduce the cost of distributed generation storage technologies or other alternative methods of producing power to a level that is competitive with that of most power generation production or result in smaller-scale, more fuel efficient, and/or more cost effective distributed generation that allows for increased self-generation by customers. Broader use of distributed generation by retail energy customers may also result from customers' changing perceptions of the merits of utilizing existing generation technology or tax or other economic incentives. Additionally, a state PSC PSCs or legislature legislatures may modify certain aspects of the traditional electric operating companies' business businesses as a result of these advances in technology, which may provide for further competition from these alternative sources of generation.

It is also possible that rapid advances in power generation technology could reduce the value of the current electric generating facilities owned by the traditional electric operating companies and Southern Power. Changes in technology could also alter the channels through which electric customers buy or utilize power.

Southern Company Gas' business is dependent on natural gas prices remaining competitive as compared to other forms of energy. Southern Company Gas' gas marketing services segment also is affected by competition from other energy marketers providing similar services in Southern Company Gas' unregulated service territories, most notably in Illinois and Georgia.

If new technologies become cost competitive and achieve sufficient scale, the market share of the Subsidiary Registrants could be eroded, and the value of their respective electric generating facilities or natural gas distribution facilities could be reduced. Additionally, these technology technology- and customer-induced changes to the Subsidiary Registrants' business models could change the risk profile of the Southern Company system's historical capital investments. Southern Company Gas' market share could be reduced if Southern Company Gas cannot remain price competitive in its unregulated markets.

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The Subsidiary Registrants are subject to workforce factors that could affect operations.

The Southern Company system must attract, train, and retain a workforce to meet current and future needs. Events such as an aging workforce without appropriate replacements, increased cost or reduced supply of labor, mismatch of skill sets to future needs, or unavailability of contract resources may lead to operating challenges such as lack of resources, loss of knowledge, and a lengthy time period associated with skill development, including workforce needs associated with construction projects and ongoing operations. The Southern Company system may be subject to continuing workforce trends occurring in the United States triggered by decisions of employees to leave the workforce and/or their employer in higher rates during recent years as compared to prior years and challenges competing with other employers offering more flexible or fully-remote work options. The Southern Company system's costs, including costs for contractors to replace employees, productivity costs, and safety costs, may rise. The Southern Company system is also subject to risks associated with the failure to adequately manage contract resources. In addition, the failure to hire and adequately obtain replacement employees, including the ability to transfer significant internal historical knowledge and expertise to the new employees, or the future availability and cost of contract labor may adversely affect the Southern Company and its subsidiaries' system's ability to manage and operate their businesses.

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its business.

Supply chain disruptions, inflation, elevated interest rates, tariffs, and inflation other economic factors could negatively impact operations.

The Southern Company system's operations and business plans depend on the global supply chain to procure equipment, materials, and other resources. The delivery of components, materials, equipment, and other resources that are critical to the Southern Company system's operations has been impacted by domestic and global supply chain disruptions. Future pandemic health events or continued international tensions, including the ramifications of regional conflicts and any strained relationships between the United

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States and other countries related to such conflicts, such as those in Ukraine and the Middle East, and the impact of tariffs, could further exacerbate global supply chain disruptions. These disruptions and shortages could adversely impact business operations. The constraints in the supply chain also could restrict availability and delay construction, maintenance, or repair of items needed to support normal operations or to continue planned capital investments.

Supply chain disruptions have contributed to higher prices of components, materials, equipment, and other needed commodities, and these inflationary increases may continue. Further inflation, a continued elevated interest rate environment, tariffs, or other economic factors may negatively affect operations and the timely recovery of costs.

CONSTRUCTION RISKS

The Registrants have incurred and may incur additional costs or delays in the construction of new plants or other facilities and may not be able to recover their investments. Also, existing facilities of the Subsidiary Registrants require ongoing expenditures, including those to maintain reliability and meet AROs and other environmental standards and goals.

The businesses of the Registrants require substantial expenditures for investments in new facilities as well as capital improvements, including transmission, distribution, and generation facilities for the traditional electric operating companies, generation facilities for Southern Power, and capital improvements to natural gas distribution facilities for Southern Company Gas. Gas, to, among other things, maintain reliability. These expenditures also include those to settle AROs and meet environmental standards and goals. The traditional electric operating companies and Southern Power are in the process of constructing new generating facilities and/or adding environmental and other modifications to certain existing generating facilities and Southern Company Gas is replacing certain pipe in its natural gas distribution system. system and is involved in new gas pipeline construction projects. The traditional electric operating companies also are in the process of closing ash ponds surface impoundments to comply with the CCR Rule and, where applicable, state CCR rules. The Southern Company system intends to continue its strategy of developing and constructing new electric generating facilities, expanding and improving the electric transmission and electric and natural gas distribution systems, and undertaking projects to maintain reliability and to comply with environmental laws and regulations. These projects are long-term long term in nature and in some cases may include the development and construction of facilities with designs that have not been finalized or previously constructed.

Completion of these types of projects without delays or significant cost overruns is subject to substantial risks that have occurred or may occur, including labor costs, availability, and productivity; challenges with the management of contractors or vendors; subcontractor performance; adverse weather conditions; shortages, delays, increased costs, or inconsistent quality of equipment, materials, and labor; contractor or supplier delay; the impacts of inflation; potential impact of newly-levied tariffs; delays due to judicial or regulatory action; nonperformance under construction, operating, or other agreements; operational readiness, including specialized operator training and required site safety programs; engineering or design problems or any remediation related thereto; design and other licensing-based compliance matters; challenges with start-up activities, including major equipment failure, or system integration; and/or operational performance; challenges related to pandemic health events; continued public and policymaker support for projects; environmental and geological conditions; delays or increased costs to

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interconnect facilities to transmission grids; and increased financing costs as a result of changes in interest rates or as a result of project delays.

If a Subsidiary Registrant is unable to complete the development or construction of a project or decides to delay or cancel construction of a project, it may not be able to recover its investment in that project and may incur substantial cancellation payments under equipment purchase orders or construction contracts, as well as other costs associated with the closure and/or abandonment of the construction project. Further, if a traditional electric operating company is not selected through a PSC-approved request for proposal process to construct for itself additional capacity needs, such traditional electric operating company may not be able to recover through customer rates all registration, prepayment, cancellation, or other fees incurred in such process. See Note 2 to the financial statements under "Georgia Power – Integrated Resource Plans – 2022 IRP" in Item 8 herein for additional information.

In addition, partnership and joint ownership agreements may provide partners or co-owners with certain decision-making authority in connection with projects under construction, including the right to cause the cancellation of a construction project under certain circumstances. construction. Any failure by a partner or co-owner to perform its obligations under the applicable agreements could have a material negative impact on the applicable project under construction. Southern Company Gas' pipeline development projects involve joint owners or other joint venture participants that control management of the projects and Southern Power participates in partnership agreements with respect to a majority of its renewable energy projects and Georgia Power jointly owns Plant Vogtle Unit 4 with other co-owners. projects. See Note 5 to the financial statements under "Joint Ownership Agreements" in Item 8 herein for additional information regarding other jointly-owned facilities.

If construction projects are not completed according to specification, a Subsidiary Registrant may incur liabilities and suffer reduced plant efficiency, higher operating costs, and reduced net income. Furthermore, construction delays associated with renewable projects could result in the loss of otherwise available tax credits and incentives.

Even if a construction project (including a joint venture construction project) is completed, the total costs may be higher than estimated or deemed imprudent and may be disallowed or otherwise not recoverable through regulated rates, if applicable. In

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addition, construction delays and contractor performance shortfalls can result in the loss of revenues. The largest construction project currently underway in the Southern Company system is Plant Vogtle Unit 4. Southern Company and Georgia Power recorded cumulative pre-tax charges to income of $3.2 billion ($2.4 billion after tax) through December 31, 2023 to reflect Georgia Power's revised estimate to complete construction and start-up of Plant Vogtle Units 3 and 4. See Note 2 to the financial statements under "Georgia Power MANAGEMENT'S DISCUSSION AND ANALYSIS – Nuclear Construction" FUTURE EARNINGS POTENTIAL – "Construction Programs" in Item 8 7 herein for information regarding Plant Vogtle Units 3 and 4. additional information.

Once facilities become operational, ongoing capital expenditures are required to maintain safe and reliable levels of operation. Significant portions of the traditional electric operating companies' existing facilities were constructed many years ago. Older equipment, even if maintained in accordance with good engineering practices, may require significant expenditures to maintain efficiency, to comply with environmental requirements, to provide safe and reliable operations, and/or to meet related retirement obligations.

Southern Company Gas' significant investment in pipeline development projects involves financial and execution risks.

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Southern Company Gas, through SNG, has approved a significant investment in a pipeline development project. The pipeline development project will be constructed and operated by a third party. If the third party fails to perform in a proper manner, the book value of the investment could be impaired and Southern Company Gas could lose part or all of its investment. In addition, Southern Company Gas is required to fulfill capital obligations related to other pipelines in which Southern Company Gas has an ownership interest or, as necessary, guarantee the obligations related thereto.

With respect to the pipeline development project, Southern Company Gas will rely on its joint venture partner for construction management and will not exercise direct control over the process. The project is dependent on contractors for successful and timely completion. Further, the development of the pipeline project involves numerous regulatory, environmental, construction, safety, political, and legal uncertainties and may require a significant investment. This project may not be completed on schedule, at the budgeted cost, or at all. There may be cost overruns and construction difficulties that cause Southern Company Gas' investment to exceed its initial expectations, which may impact the earnings of the joint venture partnership. Moreover, Southern Company Gas' net income will not materially increase immediately upon the expenditure of funds on this pipeline project. Pipeline construction occurs over an extended period of time, and Southern Company Gas' net income will not be materially impacted unless and until the project is placed in service.

See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Construction Programs" in Item 7 herein for information regarding this project.

FINANCIAL, ECONOMIC, AND MARKET RISKS

The electric generation and energy marketing operations of the traditional electric operating companies and Southern Power and the natural gas operations of Southern Company Gas are subject to changes in energy prices and fuel costs.

The generation, energy marketing, and natural gas operations of the Southern Company system are subject to changes in energy prices and fuel costs, which could increase the cost of producing power, decrease the amount received from the sale of energy,

and/or make electric generating facilities and natural gas distribution systems less competitive. The market prices for these commodities may fluctuate significantly over relatively short periods of time as a result of changes in supply and/or demand, which could increase the expenses and/or reduce the revenues of the Registrants. For the traditional electric operating companies and Southern Company Gas' regulated gas distribution operations, such impacts may not be fully recoverable through rates.

Southern Power and the traditional electric operating companies purchase natural gas as a fuel source for their power generation needs and the natural gas distribution utilities purchase natural gas for sale to their customers. Accordingly, the price of natural gas affects, among other things, Southern Power's and the traditional electric operating companies' costs of generation and the natural gas distribution utilities' cost of natural gas. Natural gas remains a volatile commodity. Slight supply and demand imbalances can quickly result in significant price moves both up and down. These price movements may be short-lived, but the impacts can be pronounced. Natural gas supplies primarily from the Permian and Haynesville regions, have continued to grow; however, this growth has been accompanied by LNG export growth. Forward curves project prices will remain in the range of mid- to mid- to high- $3 $3 per mmBtu approaching $4 per mmBtu, range through 2030; however, short-term price volatility is expected and future prices could be materially impacted by various factors, including unexpected geopolitical events as well as government policies related to natural gas and energy, including infrastructure development, production, and exports.

The traditional electric operating companies and Southern Company Gas from time to time have experienced and may continue to experience underrecovered fuel and purchased power and/or purchased gas cost balances. While the traditional electric operating companies and Southern Company Gas are generally authorized to recover fuel and purchased power and/or purchased gas costs through cost recovery clauses, recovery may be delayed or may be denied if costs are deemed to be imprudently incurred.

The Registrants are subject to risks associated with a changing economic environment, customer behaviors, including increased energy conservation, and adoption patterns of technologies by the customers of the Subsidiary Registrants. customers.

The consumption and use of energy are linked to economic activity. This relationship is affected over time by changes in the economy, customer behaviors, and technologies. An economic downturn could be caused by a variety of factors, including wars, geopolitical instability, acts of terrorism, political or financial crises, pandemic health events, or cyclical economic factors. Any economic downturn could negatively impact customer growth and usage per customer. Additionally, any economic downturn or disruption of financial markets, both nationally and internationally, could negatively affect the financial stability of customers and counterparties of the Subsidiary Registrants.

Outside of economic disruptions, changes in customer behaviors in response to energy efficiency programs, changing conditions and preferences, legislation, or changes in the adoption of technologies could affect the relationship of economic activity to the consumption of energy. For example, some jurisdictions in the United States have banned the use of natural gas in new construction.

Both federal and state programs exist to influence how customers use energy, and several of the traditional electric operating companies and the natural gas distribution utilities have state PSC or other applicable state regulatory agency mandates to promote energy efficiency.

Customers could also voluntarily reduce their consumption of energy in response to decreases in their disposable income, increases in energy prices, or individual conservation efforts.

In addition, the adoption of technology by customers can have both positive and negative impacts on sales. Many new technologies utilize less energy than in the past. However, electric and natural gas technologies such as data centers and electric and natural gas vehicles can create additional demand. Given that these technologies are rapidly evolving, the extent of any additional demand is uncertain. The Southern Company system seeks to incorporate the effects of changes in customer behavior, state and federal programs, state PSC or other applicable state regulatory agency mandates, and technology, but the Southern Company system's planning processes may not accurately estimate and incorporate these effects.

The operating results of the Registrants are affected by weather conditions and may fluctuate on a seasonal basis. In addition, catastrophic events could result in substantial damage to or limit the operation of the properties of a Subsidiary Registrant.

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Electric power and natural gas supply are generally seasonal businesses. The Subsidiary Registrants have historically sold less power and natural gas when weather conditions are milder.

Volatile or significant weather events could result in substantial damage to the transmission and distribution lines of the traditional electric operating companies, the generating facilities of the traditional electric operating companies and Southern Power, and the natural gas distribution and underground storage facilities of Southern Company Gas, which is likely to negatively impact revenue. The Subsidiary Registrants have significant investments in the Atlantic and Gulf Coast regions and Southern Power and Southern Company Gas have investments in various states that could be subject to severe weather and

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natural disasters, including hurricanes and wildfires. Further, severe drought conditions can reduce the availability of water and restrict or prevent the operation of certain generating facilities. These volatile weather events may result in unexpected increases in customer load, requiring procurement of additional power at wholesale prices, or create other grid reliability issues.

In the event a traditional electric operating company or Southern Company Gas experiences any of these weather events or any natural disaster or other catastrophic event, recovery of costs in excess of reserves and insurance coverage is subject to the approval of its state PSC or other applicable state regulatory agency. The traditional electric operating companies from time to time have experienced and may continue to experience deficits in their storm cost recovery reserve balances. For example, in September 2024, Hurricane Helene caused significant damage to Georgia Power's transmission and distribution facilities. The incremental restoration costs related to this hurricane totaled approximately $870 million, of which approximately $750 million was deferred in the regulatory asset for storm damage, approximately $90 million was capitalized to property, plant, and equipment, and approximately $30 million was deferred as future billings to open access transmission tariff customers. Additionally, the applicable state PSC or other applicable state regulatory agency may deny or delay recovery of any portion of such costs.

In addition, damages resulting from significant weather events occurring within a Subsidiary Registrant's service territory or otherwise affecting its customers may result in the loss of customers and reduced demand for energy for extended periods and may impact customers' ability to perform under existing PPAs.

Acquisitions, dispositions, or other strategic ventures or investments may not result in anticipated benefits and may present risks, including risks not originally contemplated.

Southern Company and its subsidiaries have made significant acquisitions, dispositions, and investments in the past and may continue to do so. so, including through SNG's pipeline development projects. Such actions cannot be assured to be completed or beneficial to Southern Company or its subsidiaries. Southern Company and its subsidiaries continually seek opportunities to create value through various transactions, including acquisitions or sales of assets. Specifically, Southern Power continually seeks opportunities to execute its strategy to create value through various transactions, including acquisitions, dispositions, and sales of partnership interests, development and construction of new generating facilities, and entry into PPAs primarily with investor-owned utilities, IPPs, municipalities, electric cooperatives, and other load-serving entities, as well as commercial and industrial customers. Additionally, Southern Company Gas has made continues to make significant investments in existing pipelines, most of which are operated by third parties. If one of these agents fails to perform in a proper manner, the value of the investment could decline and Southern Company Gas could lose part or all of its investment. In addition, Southern Company Gas is required to fulfill capital obligations to pipeline joint ventures.

Southern Company and its subsidiaries may face significant competition for transactional opportunities and anticipated transactions may not be completed on acceptable terms or at all. In addition, these transactions are intended to, but may not, result in the generation of cash or income, the realization of savings, the creation of efficiencies, or the reduction of risk.

These transactions also involve risks, including that they may not result in an increase in income or provide adequate or expected projected cash flows or return on capital or other anticipated benefits; they may result in Southern Company or its subsidiaries entering into new or additional lines of business, which may have new or different business or operational risks; they may not be successfully integrated into the acquiring company's operations, internal control processes, and/or accounting systems; the due diligence conducted prior to a transaction may not uncover situations that could result in financial or legal exposure or may not appropriately evaluate the likelihood or quantify the exposure from identified risks; they may result in impairment or decreased earnings, revenues, or cash flow; they may result in credit rating downgrades for Southern Company or its subsidiaries; they may involve retained obligations in connection with transitional agreements or deferred payments related to dispositions that subject Southern Company or its subsidiaries to additional risk; Southern Company or the applicable subsidiary may not be able to achieve the expected projected financial benefits from the use of funds generated by any dispositions; expected benefits of a transaction may be dependent on the cooperation, performance, or credit risk of a counterparty; minority investments in growth companies may not result in a positive return on investment; or, for the traditional electric operating

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companies and Southern Company Gas, costs associated with such investments that were expected to be recovered through regulated rates may not be recoverable.

Southern Company and Southern Company Gas are holding companies and Southern Power owns many of its assets indirectly through subsidiaries. Each of these companies is dependent on cash flows from their respective subsidiaries to meet their ongoing and future financial obligations.

Southern Company and Southern Company Gas are holding companies and, as such, they have no operations of their own. Substantially all of Southern Company's and Southern Company Gas' and many of Southern Power's respective consolidated assets are held by subsidiaries. Southern Company's, Southern Company Gas' and, to a certain extent, Southern Power's ability to meet their respective financial obligations, including making interest and principal payments on outstanding indebtedness, and, for Southern Company, to pay dividends on its common stock, is dependent on the net income and cash flows of their respective subsidiaries and the ability of those subsidiaries to pay upstream dividends or to repay borrowed funds. Prior to

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funding Southern Company, Southern Company Gas, or Southern Power, the respective subsidiaries have financial obligations and, with respect to Southern Company and Southern Company Gas, regulatory restrictions that must be satisfied, including among others, debt service. In addition, Southern Company, Southern Company Gas, and Southern Power may provide capital contributions or debt financing to subsidiaries under certain circumstances, which would reduce the funds available to meet their respective financial obligations, including making interest and principal payments on outstanding indebtedness, and to pay dividends on Southern Company's common stock.

A downgrade in the credit ratings of any of the Registrants, Southern Company Gas Capital, or Nicor Gas could negatively affect their ability to access capital at reasonable costs and/or could require posting of collateral or replacing certain indebtedness.

There are numerous factors that rating agencies evaluate to determine credit ratings for the Registrants, Southern Company Gas Capital, and Nicor Gas, including capital structure, regulatory environment, the ability to cover liquidity requirements, other commitments for capital, and certain other controllable and uncontrollable events. The Registrants, Southern Company Gas Capital, and Nicor Gas could experience a downgrade in their ratings if any rating agency concludes that the level of business or financial risk of the industry or the applicable company has deteriorated. Changes in ratings methodologies by the agencies could also have a negative impact on credit ratings. If one or more any rating agencies downgrade agency downgrades any Registrant, Southern Company Gas Capital, or Nicor Gas, borrowing costs likely would increase, including potential automatic increases in interest rates or fees under applicable term loans and credit facilities, the pool of investors and funding sources would likely decrease, and, particularly for any downgrade to below investment grade, significant collateral requirements may be triggered in a number of contracts. Any credit rating downgrades downgrade could require altering the mix of debt financing currently used and could require the issuance of secured indebtedness (which would rank senior to unsecured indebtedness) and/or indebtedness with additional restrictive covenants binding the applicable company.

Uncertainty in demand for energy can result in lower earnings or higher costs.

The traditional electric operating companies and Southern Power each engage in a long-term planning process to estimate the optimal mix and timing of new generation assets required to serve future load obligations. Southern Company Gas engages in a long-term planning process to estimate the optimal mix and timing of building new pipelines, replacing existing pipelines, and entering new markets and/or expanding in existing markets. These planning processes must project many years into the future to accommodate the long lead times associated with the permitting and construction of new generation and associated transmission facilities and natural gas distribution facilities. Inherent risk exists in predicting demand as future loads are dependent on many uncertain factors, including economic conditions, customer usage patterns, efficiency programs, and customer technology adoption.

The traditional electric operating companies are experiencing projected demand that exceeds recent experience, creating the need for new power generating resources and transmission facilities. The majority of this demand is driven by the power needs and projected power needs of data centers to serve an increasingly digital economy and to support artificial intelligence. Other demands are coming from new industrial facilities with advanced manufacturing processes for such products as electric vehicles and batteries. Ensuring that incremental revenues from these projected new demands cover incremental costs and risks will be critical to continuing the traditional electric operating companies' value proposition to customers. The new nature of these industries, additional capital spending needs, and uncertainties on the actual capacity required to satisfy the projected new demands of these new industries may impact the traditional electric operating companies.

Because regulators may not permit the traditional electric operating companies or the natural gas distribution utilities to adjust rates to recover the costs of new generation and associated transmission assets and/or new pipelines and related infrastructure in a timely manner or at all, these subsidiaries may not be able to fully recover these costs or may have exposure to regulatory lag associated with the time between the incurrence of costs and the recovery in customers' regulated rates. In addition, under Southern Power's model of selling capacity and energy at negotiated market-based rates under long-term PPAs, Southern Power might not be able to fully execute its business plan if market prices drop below original forecasts. Southern Power and/or the traditional electric operating companies may not be able to extend or replace existing PPAs upon expiration, or they may be forced to market these assets at prices lower than originally intended. expected.

The traditional electric operating companies are currently obligated to supply power to retail customers, as well as wholesale customers under long-term PPAs. Southern Power is currently obligated to supply power to wholesale customers under long-term PPAs. At peak times, the demand for power required to meet this obligation obligations could exceed the Southern Company system's available generation capacity. Market or competitive forces may require that the traditional electric operating companies purchase capacity in the open market or build additional generation and transmission facilities and that Southern Power purchase energy or capacity in the open market. Because regulators may not permit the traditional electric operating companies

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to pass all of these purchase or construction costs on to their customers, the traditional electric operating companies may not be able to recover some or all of these costs or may have exposure to regulatory lag associated with the time between the

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incurrence of costs of purchased or constructed capacity and the traditional electric operating companies' recovery in customers' through regulated rates. Under Southern Power's long-term fixed price PPAs, Southern Power may not be able to recover all of these costs.

The businesses of the Registrants and Nicor Gas are dependent on their ability to successfully access capital through capital markets and financial institutions.

The Registrants and Nicor Gas rely on access to both short-term and longer-term capital markets as a significant source of liquidity to meet capital requirements not satisfied by the cash flow from their respective operations. If any of the Registrants or Nicor Gas is not able to access capital at competitive rates or on favorable terms, its ability to implement its business plan will be limited due to weakened capacity to fund capital investments or acquisitions that it may otherwise rely on to achieve future earnings and cash flows. In addition, the Registrants and Nicor Gas rely on committed credit facilities as back-up liquidity for access to low cost money markets. Certain market disruptions, whether in the United States or globally, including an economic downturn or uncertainty, continued increases in interest rates, bankruptcy or financial distress at an unrelated utility company, financial institution, or sovereign entity, capital markets volatility and disruption, either nationally or internationally, changes in fiscal, monetary, or tax policy, volatility in market prices for electricity and natural gas, actual or threatened cyber or physical attacks on facilities within the Southern Company system or owned by unrelated utility companies, future impacts of any pandemic health events, geopolitical instability, war or threat of war, or the overall health of the utility and financial institution industries, may increase the cost of borrowing or adversely affect the ability to raise capital through the issuance of securities or other borrowing arrangements or the ability to secure committed bank lending agreements used as

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back-up sources of capital. Furthermore, some financial institutions may be limited in their ability to provide capital to the Registrants as a result of such financial institution's investment criteria, including criteria related to GHG.

If sources of capital for the Registrants or Nicor Gas are reduced, capital costs could increase materially.

Failure to comply with debt covenants or conditions could adversely affect the ability of the Registrants, SEGCO, Southern Company Gas Capital, or Nicor Gas to execute future borrowings.

The debt and credit agreements of the Registrants, SEGCO, Southern Company Gas Capital, and Nicor Gas contain various financial and other covenants. Georgia Power's loan guarantee agreement with the DOE contains additional covenants, events of default, and mandatory prepayment events relating to the ongoing operation and/or construction of Plant Vogtle Units 3 and 4. Failure to meet those covenants beyond applicable grace periods could result in accelerated due dates and/or termination of the agreements.

Volatility in the securities markets, interest rates, and other factors could substantially increase defined benefit pension and other postretirement plan costs and affect the funding available for nuclear decommissioning.

The costs of providing pension and other postretirement benefit plans are dependent on a number of factors, such as the rates of return on plan assets, discount rates, the level of interest rates used to measure the required minimum funding levels of the plan, plans, changes in actuarial assumptions, government regulations, and/or life expectancy, and the frequency and amount of the Southern Company system's required or voluntary contributions made to the plans. Changes in actuarial assumptions and differences between the assumptions and actual values, as well as a significant decline in the value of investments that fund the pension and other postretirement plans, if not offset or mitigated by a decline in plan liabilities, could increase pension and other postretirement expense, and the Southern Company system could be required from time to time to fund the pension plans with significant amounts of cash. See MANAGEMENT'S DISCUSSION AND ANALYSIS – ACCOUNTING POLICIES – "Application of Critical Accounting Policies and Estimates – Pension and Other Postretirement Benefits" in Item 7 herein and Note 11 to the financial statements in Item 8 herein for additional information regarding the defined benefit pension and other postretirement plans. Additionally, Alabama Power and Georgia Power each hold significant assets in their nuclear decommissioning trusts to satisfy obligations to decommission their nuclear plants. The rate of return on assets held in those trusts can significantly impact both the funding available for decommissioning and the funding requirements for the trusts. See Note 6 to the financial statements under "Nuclear Decommissioning" in Item 8 herein for additional information.

Shareholder activism could cause Southern Company to incur significant expense, hinder execution of Southern Company's business strategy, and impact Southern Company's stock price.

Shareholder activism, which can take many forms Activist shareholders could seek to engage in proxy solicitations, advance shareholder proposals, or otherwise attempt to assert influence on Southern Company's board of directors and management. Should such activity arise, in a variety of situations, it could result in substantial costs and divert management's and Southern Company's board's attention and resources. Additionally, such shareholder activism could give rise to perceived uncertainties as to Southern Company's future, adversely affect the Southern Company system's relationships with its employees, customers, regulators, or service providers, and make it more difficult to attract and retain qualified personnel. Also, Southern Company may be required to incur significant fees and other expenses related to activist shareholder matters,

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including for third-party advisors. Southern Company's stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks, and uncertainties of any shareholder activism.

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The Registrants are subject to risks associated with their ability to obtain adequate insurance at acceptable costs.

The financial condition of some insurance companies, actual or threatened physical or cyber attacks, natural disasters, and an increased focus on climate issues, among other things, could have disruptive effects on insurance markets. The availability of insurance may decrease, and the insurance that the Registrants are able to obtain may have higher deductibles, higher premiums, and more restrictive policy terms. Further, the insurance policies may not cover all of the potential exposures or the actual amount of loss incurred.

The use of derivative contracts by Southern Company and its subsidiaries in the normal course of business could result in financial losses that negatively impact the net income of the Registrants or in reported net income volatility.

Southern Company and its subsidiaries use derivative instruments, such as swaps, options, futures, and forwards, to manage their commodity and interest rate exposures and, to a lesser extent, manage weather and foreign currency exchange rate exposure and engage in limited trading activities. The Registrants could recognize financial losses as a result of volatility in the market values of these contracts or if a counterparty fails to perform. These risks are managed through risk management policies, limits, and procedures, which might not work as planned and cannot entirely eliminate the risks associated with these activities. In addition, derivative contracts entered into for hedging purposes might not offset the underlying exposure being hedged as expected, resulting in financial losses. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these financial instruments can involve management's judgment or use of estimates. The factors used in the valuation of these instruments become more difficult to predict and the calculations become less reliable further into the future. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these contracts.

See Notes 13 and 14 to the financial statements in Item 8 herein for additional information.

Future impairments of goodwill or long-lived assets could have a material adverse effect on the Registrants' results of operations.

Goodwill is not amortized, but is evaluated for impairment at least annually or more frequently on an interim basis if changes in circumstances or the occurrence of events suggest impairment indicators are present exists. If impairment testing indicates that would more likely than not reduce the carrying amount of reporting units exceeds the respective fair value, an impairment charge would be recognized. If goodwill were to become impaired, the results of a reporting unit below its carrying amount operations could be materially and long-lived assets are tested for impairment whenever events or circumstances indicate that an asset group's carrying amount may not be recoverable. adversely affected. At December 31, 2023 December 31, 2024, goodwill was $5.2 billion and $5.0 billion for Southern Company and Southern Company Gas, respectively.

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In addition, Southern Company and its subsidiaries have long-lived assets recorded on their balance sheets. To Long-lived assets are assessed for impairment whenever events or changes in circumstances indicate that the extent asset's carrying amount may not be recoverable. If impairment testing indicates that the carrying amount of goodwill or the long-lived assets become impaired, exceeds the affected Registrant may respective fair value, an impairment charge would be required to incur impairment charges that could have a material impact on their results of operations. recognized. See Notes 1 7, 9, and 15 to the financial statements in Item 8 herein for information regarding certain impairment charges at Southern Company, Alabama Power, and Southern Company Gas.

Item 1B. UNRESOLVED STAFF COMMENTS.

None.

Item 1C. CYBERSECURITY.

Cybersecurity is a critical component of Southern Company's risk management program. The Southern Company system has implemented a cybersecurity program to assess, identify, and manage risks from cybersecurity threats that may result in material adverse effects on the Southern Company system's ability to fulfill critical business functions, including energy delivery service failures, and on the confidentiality, integrity, and availability of the Southern Company system's information systems.

Governance and Oversight of Cybersecurity Risk

Board of Directors

The Southern Company Board of Directors (Board), along with certain committees (primarily the Audit Committee of the Board) oversees the Southern Company system's enterprise risk management process. The Board devotes significant time and attention to overseeing cybersecurity risk, and the Southern Company system's approach to cybersecurity governance establishes oversight throughout the enterprise. The Board has delegated the primary responsibility to oversee cybersecurity matters to the Business Security and Resiliency Committee (BSRC) of the Board. Having a committee like the BSRC, focused on and dedicated to security, is a strong governance practice. Comprised solely of independent members of the Board, the BSRC is charged with oversight of risks related to cybersecurity, physical security, and operational resiliency. The BSRC

includes directors with an understanding of cyber issues. The BSRC meets at every regular Board meeting and when needed in

the event of a specific threat or emerging issue. The Chair of the BSRC regularly reports to the Board in connection with key matters the BSRC considered. The BSRC routinely receives presentations on a range of topics, including the threat environment and vulnerabilities and risks, policies, practices, technology trends, and regulatory developments, from the Chief Information Security Officer (CISO) and the legal organization and, as needed, the Chief Information Officer (CIO). The CISO reports to the BSRC at each regular committee meeting. Protocols have been established by which certain cybersecurity incidents are escalated internally and, where appropriate, reported to the BSRC, and ongoing updates regarding any such incident are provided until it has been resolved. See "Incident Response" herein.

Management

The Southern Company system has implemented a cross-functional, risk-based, "defense-in-depth" approach to preventing, detecting, identifying, mitigating, responding to, and recovering from cybersecurity threats and incidents, while also implementing controls and procedures that provide for the prompt escalation of certain cybersecurity incidents so that decisions regarding the public disclosure and reporting of such incidents can be made by management in a timely manner. Overall network efforts are led by the CISO and the Technology Security Organization (TSO), the organization responsible for implementing, monitoring, and maintaining cybersecurity practices across the Southern Company system, and aided by the Executive Vice President of Operations and the Energy Management System and Generation organization. The CISO meets regularly with the CIO and the Chief Executive Officer and reports regularly to committees of the Board to discuss risk management measures implemented to identify and mitigate data protection and cybersecurity risks. Security and resiliency are emphasized through business assurance, enterprise risk management, and incident response plans designed to identify, evaluate, and remediate incidents when they occur. Among other things, the Cybersecurity Incident Response Plan (CIRP) establishes a team comprised of the CISO, the Deputy CISO, the Director of the Digital Defense Center, and members of the legal and compliance organizations to evaluate emerging cyber threats and escalate to executive management and business units as appropriate. Plans, policies, and technologies are regularly updated and training exercises and crisis management preparedness activities are conducted to test effectiveness.

The CISO works closely with the legal and compliance organizations, as well as the relevant business units, to help ensure broad oversight of and compliance with legal, regulatory, and contractual cybersecurity requirements. The CISO has extensive cybersecurity knowledge and skills gained from over 30 years of work experience within the Southern Company system. The CISO receives reports on cybersecurity threats from a variety of sources both internally and externally on an ongoing basis and regularly reviews risk management measures implemented to identify and mitigate cybersecurity risks. Briefings to the Board on cybersecurity matters include annual briefings to the Audit Committee and the Operations, Environmental, and Safety Committee in addition to briefings to the BSRC at each of its regular meetings (at least five times annually).

Internal Cybersecurity Team

The TSO, led by the CISO, is responsible for the implementation, monitoring, and maintenance of the cybersecurity and data protection practices across the Southern Company system. The Southern Company system also relies on a Data Privacy and Protection team in the compliance organization, as well as the internal audit organization, to work with the TSO on data protection policies and practices. Multiple experienced information security leaders with internal and external security experience responsible for various parts of the business report to the CISO, each of whom is supported by a team of trained cybersecurity professionals. In addition to these internal cybersecurity capabilities, external auditors and security companies are regularly engaged to assist with assessing, testing, identifying, and managing cybersecurity, including through penetration testing, vulnerability testing, and other technical evaluations.

Risk Management and Strategy

Although many of the networks are segmented, overall network security is a centralized shared service across the Southern Company system, led by the TSO and the CISO. Recognizing that no single technology, process, or business control can effectively prevent or mitigate all risks related to cyber threats, multiple technologies, processes, and

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controls, all working independently but as part of a cohesive strategy, are employed to reduce risk. Southern Company system exposure and defenses are regularly tested through auditing, penetration testing, vulnerability testing, and other exercises designed to assess effectiveness.

The Southern Company system emphasizes both security and resiliency through business assurance and incident response plans designed to identify, evaluate, and remediate incidents when they occur. A 24/7 security operations center is also utilized, which facilitates real-time situational awareness across the cyber-threat environment, and a robust insider threat protection program that leverages cross-function information sharing to assess insider threat activity is employed. The Southern Company system regularly reviews and updates its plans, policies, and technologies and conducts regular training exercises and crisis management preparedness activities to test their effectiveness. In addition, a security awareness program for the Southern

Company system's employees has also been implemented, which is designed to educate and train employees at least annually, or more often as needed, about risks inherent to human interaction with information and operational technology.

The Southern Company system's cybersecurity program is increasingly leveraging intelligence-sharing capabilities about emerging threats within the energy industry, across other industries, with specialized vendors, and through public-private partnerships with U.S. government intelligence agencies. By engaging with both the Electricity Information Sharing and Analysis Center and the Downstream Natural Gas Information Sharing and Analysis Center, the Southern Company system benefits from quality analysis and rapid sharing of security information across the energy sector. Such intelligence helps to allow for better detection and prevention of emerging cyber threats before they materialize. Just as it tests its policies and plans internally, the Southern Company system also engages in external exercises such as the bi-annual GridEx Security Exercise to evaluate and address the preparedness of the industry as a whole.

Many cybersecurity policies and standards across the Southern Company system are governed by multiple regulatory requirements. Portions of these policies and standards are audited by the FERC, the Transportation Security Administration, and the NRC, as appropriate, and are periodically evaluated by third parties such as cybersecurity insurance carriers. Certain members of senior management have high-level security clearances to facilitate access to critical information, and the Southern Company system participates in pilot programs with industry and the U.S. government to share additional information and strengthen cybersecurity and business resiliency.

The Southern Company system also employs systems and processes designed to oversee, identify, and reduce the potential impact of a security incident at a third-party vendor, service provider, or customer or otherwise implicating the third-party technology and systems used. Among other things, the Southern Company system has established a Vendor Security Incident Working Group to address such third-party security incidents, including following up with the third party as appropriate and taking steps to mitigate any impact to systems. The Vendor Security Incident Working Group includes members of the internal cybersecurity teams to address any incidents that may invoke the CIRP. Additionally, the Southern Company system typically imposes contractual obligations on vendors and other third-party business partners related to privacy, confidentiality, and data security based on their access to the Southern Company system's data and systems. The Southern Company system also maintains insurance coverage for cyber incidents; the scope of coverage and fitness of coverage is evaluated each year.

Incident Response

The Southern Company system has adopted a CIRP that applies in the event of certain cybersecurity threats or incidents to provide a standardized guide for responding to security incidents. The CIRP sets out a coordinated approach to investigating, containing, documenting, and mitigating incidents, including reporting findings and keeping senior management and other key stakeholders informed and involved as appropriate. In general, the incident response process follows the National Institute of Standards and Technology guidance and focuses on four phases: preparation; detection and analysis; containment, eradication, and recovery; and post-incident remediation. The CIRP is reviewed periodically to help ensure its applicability to any changing needs or circumstances and to provide users a tactical tool to effectively respond to incidents. The CIRP applies to all Southern Company system personnel (including third-party contractors, vendors, and partners) that perform functions or services requiring access to secure Southern Company system information and to all devices and network services that are owned or managed by the Southern Company system. A full tabletop exercise is performed at least annually, including stakeholders from business units beyond technology security, such as power delivery, legal, compliance, risk management, and corporate communications. In addition, the Southern Company system participates in sector-level and cross-sector exercises led by industry or the U.S. government. In the event of an incident, the technology security organization, the legal organization, and other stakeholders frequently review lessons learned after an incident has been remediated.

Material Cybersecurity Risks, Threats, and Incidents

Due to evolving cybersecurity threats, it has and will continue to be difficult to prevent, detect, mitigate, and remediate cybersecurity incidents. Risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have not materially affected the Southern Company system, including its business strategy, results of operations, or financial condition. While the Southern Company system has not experienced any material cybersecurity incidents, there can be no guarantee that it will not be the subject of future successful attacks, threats, or incidents. Additional information on cybersecurity risks can be found in Item 1A "Risk Factors" of this Form 10-K which should be read in conjunction with the foregoing information.

Item 2. PROPERTIES

Electric

At December 31, 2023 December 31, 2024, the traditional electric operating companies, Southern Power, and SEGCO owned and/or operated the generating facilities listed in the table below. The traditional electric operating companies have certain jointly-owned generating stations. For these facilities, the nameplate capacity shown represents the Registrant's portion of total plant capacity, with ownership percentages provided if less than 100%. See "Jointly-Owned Facilities" and "Titles to Property" herein and Note 5 to the financial statements under "Joint Ownership Agreements" in Item 8 herein for additional information.

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Company/Facility Type[a]/Facility Name/ Ownership Percentage	Location	Nameplate Capacity (KWs)
Alabama Power		
Coal		
Barry Unit 5	Mobile, AL	700,000
Gaston Unit 5	Wilsonville, AL	880,000
Miller (95.92%)	Birmingham, AL	2,532,288
Total Coal		4,112,288
Natural Gas		
Combined Cycle:		
Barry Units 6 through 8	Mobile, AL	1,706,424
Central Alabama Generating Station	Autauga County, AL	885,000
Combustion Turbine:		
Calhoun Generating Station	Calhoun County, AL	748,000
Greene County	Demopolis, AL	720,000
Steam:		
Barry Units 1, 2, and 4	Mobile, AL	600,000
Greene County Units 1 and 2 (60%)	Demopolis, AL	300,000
Total Natural Gas		4,959,424
Nuclear		
Farley	Dothan, AL	1,720,000
Hydro		
Bankhead	Holt, AL	53,985
Bouldin	Wetumpka, AL	225,000
Harris	Wedowee, AL	132,000
Henry	Ohatchee, AL	72,900
Holt	Holt, AL	46,944
Jordan	Wetumpka, AL	100,000
Lay	Clanton, AL	177,000
Lewis Smith	Jasper, AL	157,500
Logan Martin	Vincent, AL	135,000
Martin	Dadeville, AL	182,000
Mitchell	Verbena, AL	170,000
Thurlow	Tallassee, AL	81,000
Weiss	Leesburg, AL	87,750
Yates	Tallassee, AL	47,000
Total Hydro		1,668,079

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REFINITIV

Company/Facility Type[a]/Facility Name/ Ownership Percentage	Location	Nameplate Capacity (KWs)
Cogeneration		
Lowndes County	Burkeville, AL	104,800
Theodore	Theodore, AL	236,418
Washington County	Washington County, AL	123,428
Total Cogeneration		464,646
Solar		
Anniston Army Depot	Dale County, AL	7,380
Fort Rucker	Calhoun County, AL	10,560
Total Solar		17,940
Total Alabama Power Generating Capacity		**12,942,377**
Georgia Power		
Natural Gas		
Combined Cycle:		
McDonough-Atkinson Units 4 through 6	Atlanta, GA	2,520,000
McIntosh Units 10 and 11	Effingham County, GA	1,318,920
Combustion Turbine:		
McDonough Unit 3	Atlanta, GA	78,800
McIntosh Units 1 through 8	Effingham County, GA	640,000
McManus	Brunswick, GA	481,700
Robins	Warner Robins, GA	158,400
Wilson	Augusta, GA	354,100
Steam:		
Yates	Newnan, GA	700,000
Total Natural Gas		6,251,920
Coal		
Bowen	Cartersville, GA	3,160,000
Scherer (8.4% of Units 1 and 2 and 75% of Unit 3)	Macon, GA	750,924
Total Coal		3,910,924
Nuclear		
Hatch (50.1%)	Baxley, GA	899,612
Vogtle Units 1 through 3 4 (45.7%)	Augusta, GA	1,613,667 2,167,094
Total Nuclear		2,513,279 3,066,706
Hydro		
Bartletts Ferry	Columbus, GA	173,000
Burton	Clayton, GA	8,100
Flint River	Albany, GA	5,400
Goat Rock	Columbus, GA	40,500
Lloyd Shoals	Jackson, GA	18,000
Morgan Falls	Atlanta, GA	16,800
Nacoochee	Lakemont, GA	4,800
North Highlands	Columbus, GA	29,600
Oliver Dam	Columbus, GA	60,000
Rocky Mountain (25.4%)	Rome, GA	229,362 [b]
Sinclair Dam	Milledgeville, GA	45,000

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Company/Facility Type[a]/Facility Name/ Ownership Percentage	Location	Nameplate Capacity (KWs)
Tallulah Falls	Clayton, GA	72,000
Terrora	Clayton, GA	20,800
Tugalo	Clayton, GA	45,000 59,250
Wallace Dam	Eatonton, GA	321,300
Yonah	Toccoa, GA	22,500
Total Hydro		1,112,162 1,126,412
Solar		
Fort Benning	Columbus, GA	30,005
Fort Gordon	Augusta, GA	30,000
Fort Stewart	Fort Stewart, GA	30,000
Fort Valley	Fort Valley, GA	10,800
Kings Bay	Camden County, GA	30,161
Marine Corps Logistics Base	Albany, GA	31,161
McIntosh	Effingham County, GA	10,000
Moody Air Force Base	Valdosta, GA	49,500
Robins Air Force Base	Warner Robins, GA	128,000
8 Other Plants	Various Georgia locations	18,479
Total Solar		358,106 368,106
Battery Storage		
Mossy Branch	Talbot County, GA	65,000
Total Georgia Power Generating Capacity		**14,146,391 14,789,068**
Mississippi Power		
Natural Gas		
Combined Cycle:		
Daniel	Pascagoula, MS	1,070,424
Ratcliffe	Kemper County, MS	769,898
Combustion Turbine:		
Sweatt	Meridian, MS	39,400
Watson	Gulfport, MS	39,360
Steam:		
Greene County Units 1 and 2 (40%)	Demopolis, AL	200,000
Watson	Gulfport, MS	750,000
Total Natural Gas		2,869,082
Coal		
Daniel (50%)	Pascagoula, MS	500,000
Cogeneration		
Chevron Cogenerating Station	Pascagoula, MS	147,292 [c]
Solar		
Walnut Grove	Walnut Grove, MS	1,500
Total Mississippi Power Generating Capacity		**3,517,874**

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Company/Facility Type[a]/Facility Name/ Ownership Percentage	Location	Nameplate Capacity (KWs)

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Southern Power		
Natural Gas		
Combined Cycle:		
Franklin	Smiths, AL	1,857,820
Harris	Autaugaville, AL	1,318,920
Rowan Unit 4	Salisbury, NC	530,550
Wansley Units 6 and 7	Carrollton, GA	1,073,000
Combustion Turbine:		
Addison	Thomaston, GA	668,800
Cleveland	Cleveland County, NC	720,000
Dahlberg	Jackson County, GA	756,000
Rowan Units 1 through 3	Salisbury, NC	455,250
Total Natural Gas		7,380,340
Wind		
Beech Ridge II	Greenbrier County, WV	56,200
Bethel	Castro County, TX	276,000
Cactus Flats	Concho County, TX	148,350
Deuel Harvest	Deuel County, SD	301,100
Glass Sands	Murray County, OK	118,300
Grant Plains	Grant County, OK	147,200
Grant Wind	Grant County, OK	151,800
Kay Wind	Kay County, OK	299,000
Passadumkeag	Penobscot County, ME	42,900
Reading	Osage & Lyon Counties, KS	200,100
Salt Fork	Donley & Gray Counties, TX	174,000
Skookumchuck	Lewis & Thurston Counties, WA	136,800
Tyler Bluff	Cooke County, TX	125,580
Wake Wind	Crosby & Floyd Counties, TX	257,250
Wildhorse Mountain	Pushmataha County, OK	100,000
Total Wind		2,534,580 [(d)]
Solar		
Adobe	Kern County, CA	20,000
Apex	North Las Vegas, NV	20,000
Boulder I	Clark County, NV	100,000
Butler	Taylor County, GA	104,000
Butler Solar Farm	Taylor County, GA	22,000
Calipatria	Imperial County, CA	20,000
Campo Verde	Imperial County, CA	147,420
Cimarron	Colfax County, NM	30,640
Decatur County	Decatur County, GA	20,000
Decatur Parkway	Decatur County, GA	84,000
Desert Stateline	San Bernadino County, CA	299,990
East Pecos	Pecos County, TX	120,000
Garland	Kern County, CA	205,290
Gaskell West I	Kern County, CA	20,000
Granville	Granville County, NC	2,500
Henrietta	Kings County, CA	102,000
Imperial Valley	Imperial County, CA	163,200
Lamesa	Dawson County, TX	102,000
Lost Hills-Blackwell	Kern County, CA	32,000

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Company/Facility Type[a]/Facility Name/ Ownership Percentage	Location	Nameplate Capacity (KWs)	
Macho Springs	Luna County, NM	55,000	
Morelos del Sol	Kern County, CA	15,000	
North Star	Fresno County, CA	61,600	
Pawpaw	Taylor County, GA	30,480	
Roserock	Pecos County, TX	160,000	
Rutherford	Rutherford County, NC	74,800	
Sandhills	Taylor County, GA	148,000	
South Cheyenne	Laramie County, WY	150,000	
Spectrum	Clark County, NV	30,240	
Tranquillity	Fresno County, CA	205,300	
Total Solar		2,395,460 2,545,460	(e)
Battery Storage			
Garland	Kern County, CA	88,000	(f)
Tranquillity	Fresno County, CA	72,000	(f)
Total Battery Storage		160,000	
Fuel Cell			
Red Lion and Brookside	New Castle and Newark, DE	27,500	(g)
Total Southern Power Generating Capacity		**12,497,880 12,647,880**	
SEGCO			
Gaston Units 1 through 4 (Natural Gas-Steam)	Wilsonville, AL	1,000,000	
Gaston (Natural Gas-Combustion Turbine)	Wilsonville, AL	19,680	
Total SEGCO Generating Capacity		**1,019,680**	(h)
Southern Company System			
Natural Gas		22,480,446	
Coal		8,523,212	
Nuclear		4,233,279 4,786,706	
Hydro		2,780,241 2,794,491	
Solar		2,773,006 2,933,006	
Wind		2,534,580	
Cogeneration		611,938	
Battery Storage		160,000 225,000	
Fuel Cell		27,500	
Total Southern Company System Generating Capacity		**44,124,202 44,916,879**	

(a) Represents the primary fuel source.

(b) Operated by OPC.

(c) Generation is dedicated to a single industrial customer. See MANAGEMENT'S DISCUSSION AND ANALYSIS – FINANCIAL CONDITION AND LIQUIDITY – "Credit Rating Risk" in Item 7 herein.

(d) Southern Power is the controlling partner in a non-tax equity partnership for Beech Ridge II and also owns 100% of Glass Sands. Southern Power is the controlling partner in tax equity partnerships owning Cactus Flats, Deuel Harvest, Reading, Skookumchuck, and Wildhorse Mountain (additionally for Deuel Harvest and Skookumchuck, a noncontrolling interest in Southern Power's remaining equity is owned by another partner). Southern Power is the controlling partner in SP Wind (a tax equity partnership owning the remaining eight Southern Power wind facilities). SP Wind is the 90.1% majority owner of Wake Wind and owns 100% of the other SP Wind facilities. All of these entities are consolidated subsidiaries of Southern Power and the capacity shown in the table is 100% of the nameplate capacity for the respective facility.

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(e) Southern Power owns a 67% equity interest in SP Solar (a limited partnership indirectly owning all of Southern Power's solar facilities, except the Gaskell West I, Roserock, and Roserock South Cheyenne solar facilities). SP Solar is the 51% majority owner of Boulder I, Garland, Henrietta, Imperial Valley, Lost Hills Blackwell, North Star, and Tranquillity solar facilities; the 66% majority owner of Desert Stateline solar facility; and the sole owner of the remaining SP Solar solar facilities. Southern Power is the controlling partner in a tax equity partnership owning Gaskell West I and also owns 100% of Roserock. Roserock and South Cheyenne. All of these entities are consolidated subsidiaries of Southern Power and the capacity shown in the table is 100% of the nameplate capacity for the respective facility.

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(f) Southern Power is the controlling partner in a tax equity partnership owning the Garland and Tranquillity battery energy storage facilities. Additionally, the noncontrolling interests in Southern Power's remaining equity are owned by two other partners and the facilities are indirect subsidiaries of SP Solar. These entities are consolidated subsidiaries of Southern Power and the capacity shown in the table is 100% of the nameplate capacity for the respective facility.

(g) Southern Power has two noncontrolling interest partners that own approximately 10 MWs of the facility. These entities are consolidated subsidiaries of Southern Power and the capacity shown in the table is 100% of the nameplate capacity for the respective facility.

(h) Alabama Power and Georgia Power each own 50% of the outstanding common stock of SEGCO, an operating public utility company. Alabama Power and Georgia Power are each entitled to one-half one half of SEGCO's capacity and energy. Alabama Power acts as SEGCO's agent in the operation of SEGCO's units and furnishes fuel to SEGCO for its units. See Note 7 to the financial statements under "SEGCO" in Item 8 herein for additional information.

See MANAGEMENT'S DISCUSSION AND ANALYSIS – FUTURE EARNINGS POTENTIAL – "Environmental Matters" in Item 7 herein and Note 2 to the financial statements under "Alabama Power – Environmental Accounting Order," "Georgia Power – Integrated Resource Plans," and "Mississippi Power – Integrated Resource Plan" Plans" in Item 8 herein for information regarding plans to retire or convert to natural gas certain coal-fired generating capacity included in the table above.

Except as discussed below under "Titles to Property," the principal plants and other important units of the traditional electric operating companies, Southern Power, and SEGCO are owned in fee by the respective companies. It is the opinion of management of each such company that its operating properties are adequately maintained and are substantially in good operating condition, and suitable for their intended purpose.

Mississippi Power owns a 79-mile length of 500-kilovolt transmission line which is leased to Entergy Gulf States Louisiana, LLC. The line extends from Plant Daniel to the Louisiana state line. Entergy Gulf States Louisiana, LLC is paying a use fee covering all expenses and the amortization of the capitalized costs through the expiration of the agreement between the parties on May 31, 2024. At December 31, 2023, the unamortized portion was approximately $1 million.

Mississippi Power owns a lignite mine that was intended to provide fuel for the Kemper IGCC. Liberty Fuels Company, LLC, the operator of the mine, has a legal obligation to perform mine reclamation and Mississippi Power has a contractual obligation to fund all reclamation activities. As a result of the abandonment of the Kemper IGCC, final mine reclamation began in 2018 and was substantially completed in 2020, with monitoring expected to continue through 2028. See Note 3 to the financial statements under "Other Matters – Mississippi Power – Kemper County Energy Facility" in Item 8 herein for additional information.

In conjunction with Southern Company's 2019 sale of Gulf Power, Mississippi Power and NextEra Energy, Inc. agreed to negotiate a mutually acceptable revised operating agreement for Plant Daniel. In July 2022, the co-owners executed a revised operating agreement. The dispatch procedures in the revised operating agreement for the two jointly-owned coal units at Plant Daniel resulted in Mississippi Power designating one of the two units as primary and the other as secondary in lieu of each company separately owning 100% of a single generating unit. Mississippi Power did not exercise an option to purchase its co-owner's ownership interest for $1 on January 15, 2024. On November 8, 2024, Mississippi Power entered into an agreement with FP&L to acquire FP&L's 50% ownership interest in Plant Daniel Units 1 and 2. See Notes Note 2 and 3 under "Mississippi Power – Integrated Resource Plan" Plans" and "Other Matters – Mississippi Power" – Plant Daniel," respectively, Daniel" in Item 8 herein for additional information on Plant Daniel.

In 2023, 2024, the maximum demand on the traditional electric operating companies, Southern Power Company, and SEGCO was 36,919,000 38,194,000 KWs and occurred on August 14, 2023. The January 17, 2024, which also represents the all-time maximum demand of 37,035,000 KWs occurred on June 15, 2022. demand. These amounts exclude demand served by capacity retained by MEAG Power, OPC, and SEPA. The reserve margin for the traditional electric operating companies, Southern Power Company, and SEGCO in 2023 2024 was 19% 16%.

Jointly-Owned Facilities

Alabama Power, Georgia Power, and Mississippi Power at December 31, 2023 December 31, 2024 had undivided interests in certain generating plants and other related facilities with non-affiliated parties. The percentages of ownership of the total plant or facility are as follows:

		Percentage Ownership							
	Total Capacity								
	Total Capacity								
	Total Capacity	Alabama Power	Power South	Georgia Power	Mississippi Power	OPC	MEAG Power	Dalton	FP&L
Facility									
Facility									
Facility	**Total Capacity**	**Alabama Power**	**Power South**	**Georgia Power**	**Mississippi Power**	**OPC**	**MEAG Power**	**Dalton**	**FP&L**
	(MWs)								

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Natural Gas

Southern Company Gas considers its properties to be adequately maintained, substantially in good operating condition, and suitable for their intended purpose. The following sections provide the location and general character of the materially important properties that are used by the segments of Southern Company Gas. Substantially all of Nicor Gas' properties are subject to the lien of the indenture securing its first mortgage bonds. See Note 8 to the financial statements in Item 8 herein for additional information.

Distribution and Transmission Mains

Southern Company Gas' distribution systems transport natural gas from its pipeline suppliers to customers in its service areas. These systems consist primarily of distribution and transmission mains, compressor stations, peak shaving/storage plants, service lines, meters, and regulators. At December 31, 2023 December 31, 2024, Southern Company Gas' gas distribution operations segment owned approximately 77,900 78,500 miles of underground distribution and transmission mains, which are located on easements or rights-of-way that generally provide for perpetual use.

Storage Assets

Gas Distribution Operations

Southern Company Gas owns and operates eight underground natural gas storage fields in Illinois with a total working capacity of approximately 150 Bcf, approximately 135 Bcf of which is usually cycled on an annual basis. This system is designed to meet about 50% of the estimated peak-day deliveries and approximately 40% of the normal winter deliveries in Illinois. This level of storage capability provides Nicor Gas with supply flexibility, improves the reliability of deliveries, and helps mitigate the risk associated with seasonal price movements.

Southern Company Gas also has four LNG plants located in Georgia and Tennessee with total LNG storage capacity of approximately 7.0 Bcf. In addition, Southern Company Gas owns two propane storage facilities in Virginia, each with storage capacity of approximately 0.3 Bcf. The LNG plants and propane storage facility facilities are used by Southern Company Gas' gas distribution operations segment to supplement natural gas supply during peak usage periods.

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All Other

In September 2022, certain affiliates of Southern Company Gas entered into agreements to sell two natural gas storage facilities located in California and Texas. The sale of the Texas facility was completed in November 2022 and the sale of the California

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facility was completed on September 22, 2023. in September 2023. See Note 15 to the financial statements under "Southern Company Gas" in Item 8 herein for additional information.

Jointly-Owned Properties

Southern Company Gas' gas pipeline investments segment has a 50% undivided ownership interest in a 115-mile pipeline facility in northwest Georgia. Southern Company Gas also has an agreement to lease its 50% undivided ownership in the pipeline facility. See Note 5 to the financial statements under "Joint Ownership Agreements" in Item 8 herein for additional information.

Item 3. LEGAL PROCEEDINGS

See Note 3 to the financial statements in Item 8 herein for descriptions of legal and administrative proceedings discussed therein. The Registrants' threshold for disclosing material environmental legal proceedings involving a governmental authority where potential monetary sanctions are involved is $1 million.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

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INFORMATION ABOUT OUR EXECUTIVE OFFICERS – SOUTHERN COMPANY

(Identification of executive officers of Southern Company is inserted in Part I in accordance with Regulation S-K, Item 401) The ages of the officers set forth below are as of December 31, 2023 December 31, 2024.

Christopher C. Womack
Chairman, President, and Chief Executive Officer
Age 65 66
First elected in 2008. President since March 2023, Chief Executive Officer since May 2023, and Chairman since December 2023. Previously served as Chairman and Chief Executive Officer of Georgia Power from June 2021 to March 2023, President of Georgia Power from November 2020 to March 2023, and Executive Vice President and President of External Affairs of Southern Company from January 2009 to October 2020.

Daniel S. Tucker
Executive Vice President, and Chief Financial Officer, and Treasurer

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Age 53 54
First elected in 2021. Executive Vice President and Chief Financial Officer since September 2021. Treasurer since October 2024. Previously served as Executive Vice President, Chief Financial Officer, and Treasurer of Georgia Power from January 2021 to September 2021 and Executive Vice President and Chief Financial Officer of Southern Company Gas from January 2019 to January 2021.

Bryan D. Anderson
Executive Vice President
Age 57 58
First elected in 2020. Executive Vice President and President of External Affairs since January 2021. Executive Vice President of SCS since November 2020. Previously served as Senior Vice President of SCS with responsibility for governmental affairs from January 2015 November 2014 to November 2020.

Stanley W. Connally, Jr.
Executive Vice President and Chief Operating Officer
Age 54 55
First elected in 2012. Chief Operating Officer since January 2025. Executive Vice President since April 2021. 2021 and Executive Vice President of SCS since January 2025. Previously served as Chairman, President, and Chief Executive Officer of SCS since from April 2021. Previously served as 2021 to January 2025 and Executive Vice President for Operations of SCS from June 2018 to April 2021.

Christopher Cummiskey
Executive Vice President
Age 49 50
First elected in 2021. Executive Vice President since January 2021. Chairman of Southern Power since February 2021 and Executive Vice President of SCS, Chief Executive Officer of Southern Power, and President and Chief Executive Officer of Southern PowerSecure Holdings, Inc. and Southern Holdings since July 2020. Chairman, President, and Chief Executive Officer of SCS since January 2025. Previously served as Executive Vice President, External Affairs of Georgia Power from May 2015 to June 2020.

Martin B. Davis
Executive Vice President and Chief Information Officer
Age 60 61
First elected in 2021. Executive Vice President since April 2021. Chief Information Officer and Executive Vice President of SCS since July 2015. Previously served as Vice President from July 2015 through to April 2021.

Sloane N. Drake
Executive Vice President and Chief Human Resources Officer
Age 48
First elected in 2024. Executive Vice President and Chief Human Resources Officer of Southern Company and SCS since March 2023. Previously served as Senior Vice President of SCS from February 2019 to March 2023 and Senior Vice President of Georgia Power from August 2018 to March 2023.

Kimberly S. Greene
Chairman, President, and Chief Executive Officer of Georgia Power
Age 57 58
First elected in 2013. Chairman, President, and Chief Executive Officer of Georgia Power since April 2023. Previously served as Chairman, President, and Chief Executive Officer of Southern Company Gas from June 2018 to March 2023.

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James Y. Kerr II
Chairman, President, and Chief Executive Officer of Southern Company Gas
Age 59 60
First elected in 2014. Chairman, President, and Chief Executive Officer of Southern Company Gas since April 2023. Previously served as Executive Vice President, Chief Legal Officer, and Chief Compliance Officer of Southern Company from March 2014 to March 2023.

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Stephen E. Kuczynski
Chairman and Chief Executive Officer of Southern Nuclear
Age 61
First elected in 2011. Chairman and Chief Executive Officer of Southern Nuclear since July 2011. Previously served as President of Southern Nuclear from July 2011 through March 2023.

J. Jeffrey Peoples
Chairman, President, and Chief Executive Officer of Alabama Power
Age 64 65
First elected in 2023. Chairman, President, and Chief Executive Officer of Alabama Power since January 2023. Previously served as Executive Vice President of Customer and Employee Services of Alabama Power from June 2020 to January 2023, Senior Vice President of Employee Services and Labor Relations of Alabama Power from June 2018 to June 2020, and Executive Vice President and Chief Administrative Officer of Southern Company Gas and President of AGL Services Company from September 2018 to June 2020.

Peter P. Sena III
Chairman, President, and Chief Executive Officer of Southern Nuclear

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Age 61

First elected in 2024. Chairman and Chief Executive Officer of Southern Nuclear since June 2024. President of Southern Nuclear since March 2023. Previously served as Executive Vice President and Chief Nuclear Officer of Southern Nuclear from July 2019 to March 2023.

Sterling A. Spainhour

Executive Vice President and Chief Legal Officer

Age 55 56

First elected in 2023. Executive Vice President and Chief Legal Officer since April 2023. Previously served as Chief Compliance Officer of Southern Company from April 2023 to January 2024, Senior Vice President, General Counsel, Corporate Secretary, and Chief Compliance Officer of Georgia Power from June 2020 to March 2023, Senior Vice President and General Counsel – East of SCS from July 2020 to March 2023, and Senior Vice President and General Counsel of SCS from December 2016 to July 2020.

Anthony L. Wilson

Chairman, President, and Chief Executive Officer of Mississippi Power

Age 59 60

First elected in 2015. President of Mississippi Power since October 2015 and Chief Executive Officer and Director since January 2016. Chairman of Mississippi Power's Board of Directors since August 2016.

Each officer listed above was initially elected at the time or times stated above by the board of directors of the applicable company and is currently serving until the next annual meeting (or by written consent in lieu of the annual meeting) of the board of directors of the applicable company, to serve until the next such annual meeting or until his or her successor is elected and qualified, except for Mr. Womack who was elected as Chairman on December 11, 2023. qualified.

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PART II

Item 5. MARKET FOR REGISTRANTS' COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

(a)(1) The common stock of Southern Company is listed and traded on the NYSE under the ticker symbol SO. The common stock is also traded on regional exchanges across the U.S. United States.

There is no market for the other Registrants' common stock, all of which is owned by Southern Company.

(a)(2) Number of Southern Company's common stockholders of record at January 31, 2024 January 31, 2025: 95,412 91,209

Southern Company has paid dividends on its common stock since 1948. Dividends paid per share of common stock were $2.86 in 2024 and $2.78 in 2023 and $2.70 in 2022. 2023. In January 2024, 2025, Southern Company declared a quarterly dividend of 70 72 cents per share. Dividends on Southern Company's common stock are payable at the discretion of Southern Company's Board of Directors and depend upon earnings, financial condition, and other factors. See Note 8 to the financial statements under "Dividend Restrictions" in Item 8 herein for additional information.

Each of the other Registrants have one common stockholder, Southern Company.

(a)(3) Securities authorized for issuance under equity compensation plans.

See Part III, Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

(b) Use of Proceeds

Not applicable.

(c) Issuer Purchases of Equity Securities

None.

Item 6. RESERVED

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Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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This section generally discusses 2024 and 2023 items and year-to-year comparisons between 2024 and 2023. Discussions of 2022 items and year-to-year comparisons between 2023 and 2022. Discussions of 2021 items and year-to-year comparisons between 2022 and 2021 that are not included in this Annual Report on Form 10-K can be found in Item 7 of each Registrant's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, which was filed with the SEC on February 15, 2023 February 14, 2024. The following Management's Discussion and Analysis of Financial Condition and Results of Operations is a combined presentation; however, information contained herein relating to any individual Registrant is filed by such Registrant on its own behalf and each Registrant makes no representation as to information related to the other Registrants.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See MANAGEMENT'S DISCUSSION AND ANALYSIS – FINANCIAL CONDITION AND LIQUIDITY – "Market Price Risk" in Item 7 herein and Note 1 to the financial statements under "Financial Instruments" in Item 8 herein. Also see Notes 13 and 14 to the financial statements in Item 8 herein.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW

Business Activities

Southern Company is a holding company that owns all of the common stock of three traditional electric operating companies, Southern Power, and Southern Company Gas and owns other direct and indirect subsidiaries. The primary businesses of the Southern Company system are electricity sales by the traditional electric operating companies and Southern Power and the distribution of natural gas by Southern Company Gas. Southern Company's reportable segments are the sale of electricity by the traditional electric operating companies, the sale of electricity in the competitive wholesale market by Southern Power, and the sale of natural gas and other complementary products and services by Southern Company Gas. See Note 16 to the financial statements for additional information.

- The traditional electric operating companies – Alabama Power, Georgia Power, and Mississippi Power – are vertically integrated utilities providing electric service to retail customers in three Southeastern states in addition to wholesale customers in the Southeast.
- Southern Power develops, constructs, acquires, owns, operates, and manages power generation assets, including renewable energy projects, and sells electricity at market-based rates in the wholesale market. Southern Power continually seeks opportunities to execute its strategy to create value through various transactions including acquisitions, dispositions, and sales of partnership interests, development and construction of new generating facilities, and entry into PPAs primarily with investor-owned utilities, IPPs, municipalities, electric cooperatives, and other load-serving entities, as well as commercial and industrial customers. In general, Southern Power commits to the construction or acquisition of new generating capacity only after entering into or assuming long-term PPAs for the new facilities.
- Southern Company Gas is an energy services holding company whose primary business is the distribution of natural gas. Southern Company Gas owns natural gas distribution utilities in four states – Illinois, Georgia, Virginia, and Tennessee – and is also involved in several other complementary businesses. Southern Company Gas manages its business through three reportable segments – gas distribution operations, gas pipeline investments, and gas marketing services, which includes SouthStar, a Marketer and provider of energy-related products and services to natural gas markets – and one non-reportable segment, all other. Prior to the sale of Sequent on July 1, 2021, Southern Company Gas' reportable segments also included wholesale gas services. See Notes 7, 15, and 16 to the financial statements for additional information.

Southern Company's other business activities include providing distributed energy and resilience solutions and deploying microgrids for commercial, industrial, governmental, and utility customers, as well as investments in telecommunications. Management continues to evaluate the contribution of each of these activities to total shareholder return and may pursue acquisitions, dispositions, and other strategic ventures or investments accordingly.

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See FUTURE EARNINGS POTENTIAL herein for a discussion of many factors that could impact the Registrants' future results of operations, financial condition, and liquidity.

Recent Developments

Alabama Power

On March 24, 2023 May 7, 2024, the Alabama PSC approved a decrease to Rate ECR from 3.270 cents per KWH to 3.015 cents per KWH, or approximately $135 million annually, effective with July 2024 billings. On December 3, 2024, the Alabama PSC approved an additional reduction to Rate ECR from 3.015 cents per KWH to 2.600 cents per KWH, or $218 million annually, effective with January 2025 billings.

On September 18, 2024, Alabama Power notified the Alabama PSC of its intent to use a portion of its reliability reserve balance in 2024. As a result, Alabama Power had usage of the reliability reserve in the amount of $12 million during the fourth quarter 2024 for reliability-related transmission, distribution, and generation expenses and nuclear production-related expenses.

On October 24, 2024, Alabama Power entered into an agreement to acquire all of the equity interests in Tenaska Alabama Partners, L.P. for a total purchase price of approximately $622 million, subject to working capital adjustments. Tenaska Alabama Partners, L.P. owns and operates the Lindsay Hill Generating Station, an approximately 855-MW combined cycle generation facility in Autauga County, Alabama. On October 30, 2024, Alabama Power filed Rate CNP New Plant a petition for a CCN with the Alabama PSC for authorization to recover costs associated with procure additional generating capacity through the acquisition of the Central Alabama Lindsay Hill Generating Station. The filing reflected an annual increase in retail revenues of $78 million, or 1.1%, effective with June 2023 billings. Through May 2023, Alabama Power recovered substantially all costs associated with expects to complete the Central Alabama Generating Station through Rate RSE, offset acquisition by revenues from a power sales agreement. the end of the third quarter 2025. The ultimate outcome of this matter cannot be determined at this time.

On May 24, 2023, the Central Alabama Generating Station was placed into retail service. On November 1, 2023 November 27, 2024, Alabama Power placed Plant Barry Unit 8 in service. On December 1, 2023, Alabama Power filed made its required annual Rate CNP New Plant with RSE submission to the Alabama PSC to recover costs associated with Plant Barry Unit 8. The filing reflected of projected data for calendar year 2025, resulting in an annual increase in retail revenues of $91 4.87%, or $325 million or 1.4%, annually, that became effective with for the billing month of January 2024 billings.

On June 14, 2023, the Alabama PSC issued an order approving modifications to Alabama Power's Renewable Generation Certificate. The modifications authorized Alabama Power to procure an additional 2,400 MWs of renewable capacity and energy by June 14, 2029 and to market the related energy and environmental attributes to customers and other third parties. The modifications also increased the size of allowable renewable projects from 80 MWs to 200 MWs and increased the annual approval limit from 160 MWs to 400 MWs.

On July 11, 2023, the Alabama PSC issued an order authorizing Alabama Power to expand the existing authority of its reliability reserve to include certain production-related expenses that are intended to maintain reliability in between scheduled generating unit maintenance outages. 2025.

On August 18, 2023, Alabama Power notified the Alabama PSC of its intent to use a portion of its reliability reserve balance in 2023. During the fourth quarter 2023, Alabama Power used $75 million of the reliability reserve for reliability-related transmission, distribution, and generation expenses and nuclear production-related expenses. At December 31, 2023, Alabama Power accrued $52 million to its reliability reserve.

On October 3, 2023, the Alabama PSC issued an order modifying its December 2022 order related to excess federal accumulated deferred income taxes and authorizing Alabama Power to (i) flow back in 2023 approximately $24 million of certain federal excess accumulated deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017 and (ii) make available any remaining balance of excess accumulated deferred income taxes at the end of 2023 for the benefit of customers in 2024 and/or 2025. At December 31, 2023, the remaining balance was $81 million, of which approximately $67 million and $14 million will flow back in 2024 and 2025, respectively, for the benefit of customers.

On November 9, 2023, the Alabama PSC approved a decrease to Rate ECR of approximately $126 million annually, effective with December 2023 billings.

On December 1, 2023, Alabama Power submitted calculations to the Alabama PSC for Rate CNP Compliance for 2024, which resulted in an annual revenue decrease of approximately $23 million, or 0.3%, effective with January 2024 billings.

For the year ended December 31, 2023 December 31, 2024, Alabama Power's weighted common equity return exceeded 6.15%, resulting in Alabama Power establishing a current regulatory liability of $15 million $12 million for Rate RSE refunds, which will be refunded to customers through bill credits in April 2024. May 2025.

See Note 2 to the financial statements under "Alabama Power" for additional information.

Georgia Power

Plant Vogtle Units 3 and 4 Construction and Start-Up Status

Georgia Power placed Plant Vogtle Unit Units 3 and 4 in service on July 31, 2023 and continues construction on Plant Vogtle April 29, 2024, respectively. During the second quarter 2024, following Unit 4 (each with electric generating capacity 4's in-service date, Southern Nuclear evaluated the remaining expected site demobilization costs and other contractor obligations and reduced the remaining estimate to complete forecast by approximately $21 million, including the impact of joint owner cost-sharing. Accordingly, Georgia Power recorded a pre-tax credit to income of approximately 1,100 MWs) $21 million ($16 million after tax), including the joint owner agreement impacts, in which it holds a 45.7% ownership interest. the second quarter 2024 to recognize forecasted capital costs previously charged to income. Georgia Power's share of the total remaining project capital cost forecast, to complete Plant Vogtle Units 3 and 4, including contingency, through the second quarter 2024 is $10.8 billion.

Hot functional testing for Unit 4 was completed on May 1, 2023. On July 20, 2023, Southern Nuclear announced that all Unit 4 ITAACs had been submitted to the NRC, and, on July 28, 2023, the NRC published its 103(g) finding that the accepted criteria in the combined license for Unit 4 had been met, which allowed nuclear fuel to be loaded and start-up testing to begin. Fuel load for Unit 4 was completed on August 19, 2023. On October 6, 2023, Georgia Power announced that during start-up and pre-operational testing for Unit 4, Southern Nuclear identified a motor fault in one of four reactor coolant pumps (RCPs). This RCP was replaced with an on-site spare RCP from inventory.

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On February 1, 2024, Georgia Power announced that during start-up and pre-operational testing for Unit 4, Southern Nuclear identified, and has remediated, vibrations associated with certain piping within the cooling system. Considering the remaining pre-operational testing, Unit 4 is projected to be placed in service during the second quarter 2024. On February 14, 2024, Unit 4 achieved self-sustaining nuclear fission, commonly referred to as initial criticality. The projected schedule for Unit 4 significantly depends on the progression of start-up and pre-operational testing, which may be impacted by equipment or other operational failures. In addition, any findings related to the root cause of the motor fault on the single Unit 4 RCP could require engineering changes or remediation related to the other seven Unit 3 and Unit 4 RCPs. Any further delays could result in a later in-service date and cost increases.

As of December 31, 2023, based on completion of construction work site demobilization and the assessment of start-up and pre-operational testing remaining Southern Nuclear has an estimated $36 million for construction contingency remaining in the estimate to complete. This contingency contractor obligations, is projected to be allocated in the future to address any further Unit 4 schedule extensions or remediation of other issues discovered during start-up testing.

In September 2022, Georgia Power and MEAG Power reached an agreement to resolve a dispute regarding the cost-sharing and tender provisions of the Global Amendments (as defined in $69 million. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction – Joint Owner Contracts"). Under the terms of the agreement, among other items, (i) MEAG Power will not exercise its tender option Cost and will retain its full ownership interest in Plant Vogtle Units 3 and 4; (ii) Georgia Power will reimburse a portion of MEAG Power's costs of construction Schedule" for additional information.

Plant Vogtle Units 3 and 4 Regulatory Matters

In December 2023, the Georgia PSC approved Georgia Power's application to adjust rates to include reasonable and prudent Plant Vogtle Units 3 and 4 costs as such modified by the related stipulation (Prudency Stipulation) among Georgia Power, the staff of the Georgia PSC, and certain intervenors.

Georgia Power included in retail rate base $5.462 billion of construction and capital costs as well as $647 million of associated retail rate base items effective with the April 29, 2024 in-service date for Unit 4, pursuant to the approved Prudency Stipulation. Annual retail base revenues increased approximately $730 million and the average retail base rates were adjusted by approximately 5% (net of the elimination of the NCCR tariff described below) effective May 1, 2024.

Further, as included in the approved Prudency Stipulation, since commercial operation for Unit 4 was not achieved by March 31, 2024, Georgia Power's ROE used to determine the NCCR tariff and calculate AFUDC was reduced to zero effective April 1, 2024. Effective May 1, 2024, following commercial operation for Unit 4, Georgia Power's NCCR tariff was eliminated.

See Note 2 to the financial statements under "Georgia Power – Nuclear Construction – Regulatory Matters" for additional information.

Rate Plans

On December 17, 2024, in accordance with the terms of the 2022 ARP, the Georgia PSC approved tariff adjustments effective January 1, 2025 that resulted in a net increase in rates of $306 million. Georgia Power is required to file its next general base rate case by July 1, 2025. See Note 2 to the financial statements under "Georgia Power – Rate Plans – 2022 ARP" for additional information.

Integrated Resource Plans

As included in the 2022 IRP final order, Georgia Power initiated a request for proposals (RFP) of up to 8,500 MWs of capacity from a variety of resources with expected CODs or delivery commencement dates between 2028 and 2030. The RFP included Georgia Power-owned proposals. In conjunction with those proposals, Georgia Power entered into agreements for engineering, procurement, and construction through January 2025. Winning participants are incurred expected to be notified in June 2025, and with no further adjustment for force majeure costs, which payments will total approximately $92 million based the Georgia PSC is anticipated to render a decision related to the certification of the winning submissions in the fourth quarter 2025. Depending on the current project capital cost forecast; outcomes of the RFP and (iii) certification processes, Georgia Power will reimburse 20% could spend up to $14 billion, excluding AFUDC, on approved Georgia Power-owned proposals and related transmission investments through 2029. The ultimate outcome of MEAG this matter cannot be determined at this time.

On April 16, 2024, the Georgia PSC approved Georgia Power's updated IRP as modified by a stipulation among Georgia Power, the staff of the Georgia PSC, and certain intervenors (2023 IRP Update). The 2023 IRP Update includes the authority to develop, own, and operate up to 1,400 MWs from three simple cycle combustion turbines at Plant Yates with the recoverable costs not to exceed the certified amount, which was approved by the Georgia PSC on August 20, 2024. With this approval, the Georgia PSC recognized the potential for circumstances beyond Georgia Power's control that could cause the project costs to exceed the certified amount, in which case Georgia Power would provide documentation to the Georgia PSC to explain and justify potential recovery of additional reasonable and prudent costs. Georgia Power is required to file semi-annual construction with respect to any amounts over the current project capital cost forecast, with no further adjustment for force majeure costs. monitoring

On October 5, 2023 and October 17, 2023, Georgia Power reached agreements with OPC and Dalton, respectively, to resolve its respective dispute with each of OPC and Dalton regarding the cost-sharing and tender provisions of the Global Amendments. Under the terms of the agreements with OPC and Dalton, among other items, (i) each of OPC and Dalton retracted its exercise of the tender option and will retain its full ownership interest in Plant Vogtle Units 3 and 4, (ii) Georgia Power made payments immediately after execution of the agreements of $308 million and $17 million to OPC and Dalton, respectively, representing payment for a portion of each of OPC's and Dalton's costs of construction for Plant Vogtle Units 3 and 4 previously incurred, (iii) Georgia Power will pay a portion of each of OPC's and Dalton's further costs of construction for Plant Vogtle Units 3 and 4 as such costs are incurred and with no further adjustment for force majeure costs, which payments will be in an aggregate amount of approximately $105 million and $6 million for OPC and Dalton, respectively, based on the current project capital cost forecast, and (iv) Georgia Power will pay 66% of each of OPC's and Dalton's costs of construction with respect to any amounts above the current project capital cost forecast, with no further adjustment for force majeure costs.

Georgia Power recorded pre-tax charges to income through the fourth quarter 2022 of $407 million ($304 million after tax) associated reports with the cost-sharing provisions Georgia PSC through commercial operation, the first of the Global Amendments, including the settlement with MEAG Power. Based which was filed on the current project capital cost forecast and the settlements with OPC and Dalton described above, Georgia Power recorded a pre-tax charge to income of approximately $160 million ($120 million after tax) in the third quarter 2023. These charges are included in the total project capital cost forecast and will not be recovered from retail customers.

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The ultimate impact of these matters on the construction schedule for Plant Vogtle Unit 4 and project capital cost forecast for Plant Vogtle Units 3 and 4 cannot be determined at this time. February 14, 2025. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" Integrated Resource Plans – 2023 IRP Update" for additional information.

On January 31, 2025, Georgia Power filed its triennial IRP (2025 IRP). The filing includes a request to extend the operation of Plant Scherer Unit 3 (614 MWs based on 75% ownership) through at least December 31, 2035 and Plant Gaston Units 1 through 4 (500 MWs based on 50% ownership through SEGCO) through at least December 31, 2034.

The 2025 IRP requests approval to pursue installation of environmental controls and natural gas co-firing at Plant Bowen Units 1 through 4 (3,160 MWs), Plant Scherer Units 1 and 2 (137 MWs based on 8.4% ownership), and Plant Scherer Unit 3 for compliance with both ELG supplemental rules and GHG rules.

Additionally, the 2025 IRP requests upgrades to Plant McIntosh Units 10 and 11 (1,319 MWs) for a projected 194 MWs of incremental capacity by 2028 and Plant McIntosh Units 1 through 8 (640 MWs) for a projected 74 MWs of incremental capacity by 2033. Also, the 2025 IRP requests upgrades to Plant Hatch Units 1 and 2 (900 MWs based on 50.1% ownership) and Plant Vogtle Units 1 and 2 (1,060 MWs based on 45.7% ownership) for a projected 112 MWs of incremental capacity, some of which would be available as early as 2028.

The 2025 IRP requests approval of investments related to the continued reliable hydro operations of nine facilities, as well as the authority to develop, own, and operate a projected incremental 16 MWs from Plant Goat Rock Units 3 through 6.

The 2025 IRP also includes requests for RFPs for at least 1,100 MWs of utility scale and 4 Rate and Prudency Proceedings

In compliance with a Georgia PSC order approved in 2021, distributed generation renewable resources. Georgia Power increased annual retail base rates is seeking to add up to 4,000 MWs of incremental renewable resources by $318 million effective August 1, 2023 based on the in-service date of July 31, 2023 for Unit 3. 2035.

On December 19, 2023, A decision from the Georgia PSC voted to approve on the application to adjust rates to include reasonable and prudent Plant Vogtle Units 3 and 4 costs (Application) as modified by the related stipulated agreement (Prudency Stipulation) among Georgia Power, the staff of the Georgia PSC, and certain intervenors.

Under the terms of the approved Prudency Stipulation, Georgia Power will recover $7.562 billion 2025 IRP is expected in total construction and capital costs and associated retail rate base items of $1.02 billion, which includes AFUDC financing costs above $4.418 billion (the Georgia PSC-certified amount) up to $7.562 billion. Georgia Power will also recover projected operations and maintenance expenses, depreciation expense, nuclear decommissioning accruals, and property taxes, net of projected PTCs. After considering construction and capital costs already in retail base rates of $2.1 billion and $362 million of associated retail rate base items (approved by the Georgia PSC in 2021) and upon achieving commercial operation of Unit 4, Georgia Power will include in retail rate base the remaining $5.462 billion of construction and capital costs as well as $656 million of associated retail rate base items.

Under the Prudency Stipulation, if commercial operation for Unit 4 is not achieved by March 31, 2024, Georgia Power's ROE used to determine the NCCR tariff and calculate AFUDC will be reduced to zero, which will result in an estimated negative impact to earnings of approximately $30 million per month until the month following the date commercial operation for Unit 4 is achieved. July 2025. The ultimate outcome of this matter cannot be determined at this time.

Annual retail base revenues will increase approximately $729 million and the average retail base rates will be adjusted by approximately 5% (net of the elimination of the NCCR tariff described above) effective the first day of the month after Unit 4 achieves commercial operation.

The approval of the Application and the Prudency Stipulation resolves all issues for determination by the Georgia PSC regarding the reasonableness, prudence, and cost recovery for the remaining Plant Vogtle Units 3 and 4 construction and capital costs not already in retail base rates.

As a result of the Georgia PSC's approval of the Prudency Stipulation, Georgia Power recorded a pre-tax credit to income of approximately $228 million ($170 million after tax) in the fourth quarter 2023 to recognize CWIP costs previously charged to income, which are now recoverable through retail rates. Associated AFUDC on these costs was also recognized.

See Note 2 to the financial statements under "Georgia Power – Nuclear Construction – Regulatory Matters" for additional information.

Rate Plans

On November 16, 2023, in accordance with the terms of the 2022 ARP, the Georgia PSC approved tariff adjustments effective January 1, 2024 that resulted in a net increase in rates of $191 million.

Georgia Power expects to submit a compliance filing in the fourth quarter 2024 to request tariff adjustments approved pursuant to the 2022 ARP effective January 1, 2025. The ultimate outcome of this matter cannot be determined at this time.

See Note 2 to the financial statements under "Georgia Power – Rate Plans – 2022 ARP" for additional information.

Fuel Cost Recovery

On May 16, 2023, the Georgia PSC approved a stipulation agreement between Georgia Power and the staff of the Georgia PSC to increase annual fuel billings by 54%, or approximately $1.1 billion, effective June 1, 2023. The increase reflects a three-year recovery period for $2.2 billion of Georgia Power's under recovered fuel balance at May 31, 2023. Changes in fuel rates have no significant effect on Southern Company's or Georgia Power's net income but do impact the related operating cash flows. See Note 2 to the financial statements under "Georgia Power – Fuel Cost Recovery" for additional information.

Integrated Resource Plans

On October 27, 2023, Georgia Power filed an updated IRP (2023 IRP Update) with the Georgia PSC, which sets forth a plan to support the recent increase in the state of Georgia's projected energy needs since the 2022 IRP. Georgia Power expects the Georgia PSC to render a final decision on the 2023 IRP Update on April 16, 2024. The ultimate outcome of this matter matters cannot be determined at this time. See Note 2 to the financial statements under "Georgia Power – Integrated Resource Plans" Plans – 2025 IRP" for additional information.

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Mississippi Power

On October 27, 2023 April 26, 2024, the FERC approved a settlement agreement filed by Mississippi Power filed its 2024 IRP with the Mississippi PSC. The Mississippi PSC did not note any deficiencies within the prescribed 120-day review period; therefore, the filing is concluded. The 2024 IRP included a schedule to retire Plant Watson Unit 4 (268 MWs) and Cooperative Energy Plant Greene County Units 1 and 2 (206 MWs based on July 31, 2023 related 40% ownership) and to retire early Plant Daniel Units 1 and 2 (502 MWs based on 50% ownership), all by the end of 2028, which is consistent with the completion of Mississippi Power's July 2022 request for a $23 million increase in annual wholesale base revenues under the MRA tariff. The settlement agreement provides for a $16 million increase in annual wholesale base revenues, effective September 14, 2022, and a refund to customers of approximately $6 million primarily related to the difference between the approved rates and interim rates.

In October 2023, Mississippi Power signed an affiliate PPA with Georgia Power. On January 9, 2025, Mississippi Power for 750 MWs notified the Mississippi PSC of capacity, which began January 1, 2024 its intent to extend the retirement date of Plant Daniel Unit 2 and will continue through December 2028. In potentially extend the retirement dates of other fossil steam units beyond their current 2028 retirement dates in order to fulfill this PPA and serve the interests recently signed economic development loads of customers, approximately 600 MWs.

On November 8, 2024, Mississippi Power now expects electric generating units identified entered into an agreement with FP&L to acquire FP&L's 50% ownership interest in its 2021 IRP Plant Daniel Units 1 and 2. This acquisition will include a payment by FP&L to remain in service beyond the previously indicated dates. Mississippi Power is expected to file its next IRP in April 2024 in accordance with the rules of between $35 million and orders $38 million, which represents an estimate of the incremental cost to Mississippi PSC. The ultimate outcome Power to assume ownership of this matter cannot be determined at this time.

FP&L's interest, based on the timing of the completion of the transaction. On February 6, 2024 January 7, 2025, the Mississippi PSC approved Mississippi Power's request for (i) the inclusion of the acquired assets and the associated costs at Plant Daniel in Mississippi Power's retail rate base, upon completion of the transaction, (ii) the establishment of a new regulatory liability account in which all of the proceeds to increase retail fuel revenues be paid by $18 million annually effective with FP&L will be recorded, and (iii) Mississippi Power's ability to amortize that regulatory liability by charging certain expenditures against it. The completion of the first billing cycle transaction is subject to the satisfaction or waiver of March 2024. certain conditions, including, among other customary closing conditions, approval by the Florida PSC.

On February 12, 2024 February 14, 2025, Mississippi Power submitted its annual ECO Plan filing to the Mississippi PSC, which requested a $9 $6 million annual increase in revenues.

On May 28, 2024, the FERC issued an order accepting Mississippi Power's request for an $8 million increase in annual wholesale base revenues under the MRA tariff, effective May 29, 2024, subject to refund. On December 23, 2024, Mississippi Power and Cooperative Energy filed a settlement agreement with the FERC. The settlement agreement provides for (i) a $1 million increase in annual wholesale base revenues and a refund to customers of approximately $4 million, (ii) a rate escalation of 2.5% on an annual basis in periods subsequent to December 31, 2024 and continuing through the end of the Shared Services Agreement (SSA) on December 31, 2035, and (iii) a waiver of rights by Mississippi Power and Cooperative Energy to file for any changes in non-fuel rates through the end of the term of the SSA. The settlement agreement is subject to approval by the FERC.

The ultimate outcome of this matter these matters cannot be determined at this time.

See Note 2 to the financial statements under "Mississippi Power" for additional information.

Southern Power

On September 20, 2023, During 2024, Southern Power acquired 100% completed construction of and placed in service the 150-MW South Cheyenne solar facility. In addition, Southern Power continued construction of the membership interests in 200-MW first phase and began construction of the 200-MW 180-MW second phase and the 132-MW third phase of the Millers Branch solar project located in Haskell County, Texas from EDF Renewables Development, Inc. and is continuing construction. The facility's output is contracted under a 20-year PPA and facility with commercial operation is expected projected to occur in the fourth quarter 2025. The 2025, the second quarter 2026, and the fourth quarter 2026, respectively. Upon completion, the Millers Branch solar project includes an option will have a total generating capacity of 512 MWs, substantially all of which is contracted under multiple PPAs ranging from 15 years to expand capacity up to an additional 300 MWs. Subsequent to December 31, 2023, 20 years.

In November 2024, Southern Power committed to expand the construction a development project to repower 200 MWs of the facility through a second phase adding up to 205 MWs, 299-MW Kay Wind facility. The output of the project is contracted under an amended 20-year PPA with commercial operation expected projected to occur in the second third quarter 2026.

On September 22, 2023, Southern Power acquired 100% of the membership interests in the 150-MW South Cheyenne solar project located in Laramie County, Wyoming from Hanwha Q Cells USA Corp. and is continuing construction. The facility's output is contracted under a 20-year PPA and commercial operation is expected to occur in the second quarter 2024.

The ultimate outcome of these matters cannot be determined at this time.

Southern Power calculates an investment coverage ratio for its generating assets, including those owned with various partners, based on the ratio of investment under contract to total investment using the respective facilities' net book value (or expected in-service value for facilities under construction) as the investment amount. With the inclusion of investments associated with facilities under construction, as well as other capacity and energy contracts, Southern Power's average investment coverage ratio at December 31, 2023 December 31, 2024 was 97% 96% through 2028 2029 and 89% 87% through 2033, 2034, with an average remaining contract duration of approximately 12 years.

See Note 15 to the financial statements under "Southern Power" for additional information.

Southern Company Gas

On June 15, 2023, Nicor Gas

In June 2023, the Illinois Commission concluded its review of the Qualifying Infrastructure Plant (QIP) capital investments by Nicor Gas for calendar year 2019 under the QIP rider, also referred to as Investing in Illinois program. The Illinois Commission disallowed $32 million of the $415 million of capital investments commissioned in 2019, together with the

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related return on investment. Nicor Gas recorded a pre-tax charge to income in the second quarter 2023 of $38 million ($28 million after tax) associated with the disallowance of capital investments placed in service in 2019. The disallowance is reflected on the statement of income as an $8 million reduction to revenues and $30 million in estimated loss on regulatory disallowance. On August 3, 2023, the Illinois Commission denied a rehearing request filed by Nicor Gas. On August 24, 2023, Nicor Gas filed a notice of appeal with the Illinois Appellate Court. On November 25, 2024, the Illinois Appellate Court agreed with the Illinois Commission's review of the QIP capital investments by Nicor Gas for calendar year 2019 under the QIP rider apart from one immaterial item. On December 24, 2024, Nicor Gas filed a petition for leave to appeal $14 million of the 2019 QIP disallowance with the Illinois Supreme Court. Nicor Gas defends these investments in infrastructure as prudently incurred.

On November 16, 2023, the Illinois Commission approved a $223 million annual base rate increase for Nicor Gas, which became effective December 1, 2023. The base rate increase was based on a return on equity of 9.51% and an equity ratio of 50.00%.

In connection with Nicor Gas' 2023 general base rate case proceeding, the Illinois Commission disallowed $126.8 million of capital investments that have been completed or were planned to be completed through December 31, 2024. This includes $31 million for capital investments placed in service in 2022 and 2023 under the Investing in Illinois program and $95.9 million for other transmission and distribution capital investments. Nicor Gas recorded a pre-tax charge to income in the fourth quarter 2023 of $58 million ($44 million after tax) associated with the disallowances, with the remaining $69 million related to prospective projects that will be postponed and/or reevaluated. The disallowance is reflected on the statement of income in estimated loss on regulatory disallowance. On January 3, 2024, the Illinois Commission denied a request by Nicor Gas for rehearing on the base rate case disallowances associated with capital investment, as well as on other issues determined in the Illinois Commission's November 16, 2023 November 2023 base rate case decision. On February 6, 2024, Nicor Gas filed a notice of appeal with the Illinois Appellate Court related to the Illinois Commission's rate case ruling.

Any further cost disallowances by the Illinois Commission in the pending cases and the 2020 through 2023 annual review proceedings could be material to the financial statements of Southern Company Gas. The ultimate outcome of these matters cannot be determined at this time. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects – Nicor Gas" for additional information.

On December 19, 2023 January 3, 2025, Nicor Gas filed a general base rate case with the Georgia PSC approved Atlanta Gas Light's annual GRAM filing, which resulted Illinois Commission requesting a $309 million increase in an annual base rate revenues. The requested increase of $53 million effective January 1, 2024.

On February 1, 2024, Atlanta Gas Light filed its triennial Integrated Capacity and Delivery Plan (i-CDP) with the Georgia PSC, which included is based on a series of ongoing and proposed pipeline safety, reliability, and growth programs projected test year for the next 10 years (2025 through 2034) 12-month period ending December 31, 2026, as well as an ROE of 10.35%, and an equity ratio of 54.6%. The Illinois Commission is expected to rule on the required capital investments and related costs to implement requested increase within the programs. 11-month statutory time limit, after which rate adjustments will be effective.

The i-CDP reflected ultimate outcome of these matters cannot be determined at this time.

Atlanta Gas Light

On July 2, 2024, the Georgia PSC approved a stipulation related to Atlanta Gas Light's 2024 Integrated Capacity and Delivery Plan, which allows capital investments totaling approximately $0.7 billion to $1.0 billion annually. Atlanta Gas Light expects $0.6 billion annually for the years 2025 through 2027 with related revenue requirement recovery through either the annual GRAM filing or the System Reinforcement Rider surcharge adjustment. Additionally, the Georgia PSC approved a surcharge recovery mechanism for capital projects related to issue a final order municipal, county, and Georgia Department of Transportation infrastructure work. Rate changes associated with the new surcharge will be based on this matter in requests filed annually on September 1. If approved, new rates will become effective January 1 of the third quarter 2024. The ultimate outcome of this matter cannot be determined at this time. following year.

On August 28, 2023 December 12, 2024, the Georgia PSC approved Atlanta Gas Light's annual GRAM filing, which included annual base rate increases of $72 million, $73 million, and $74 million effective January 1, 2025, 2026, and 2027, respectively.

Virginia Natural Gas

On June 7, 2024, the Virginia Commission approved a stipulation agreement related to Virginia Natural Gas' August 2022 general base rate case filing, which allowed for a $48 million increase in annual base rate revenues based on a ROE the extension of 9.70% and an equity ratio of 49.06%. Interim rates became effective as of January 1, 2023, subject to refund, based on Virginia Natural Gas' original requested increase of approximately $69 million. Refunds to customers related to the difference between the approved rates effective September 1, 2023 and the interim rates were completed during the fourth quarter 2023.

On February 9, 2024, Virginia Natural Gas filed with the Virginia Commission a request to extend the existing SAVE program through 2029. The request extension of the program includes investments of $70 million in each year from 2025 through 2029, with a potential variance of up to $5 million allowed for the program, for a maximum total investment over the five-year extension (2025 through 2029) of $355 million.

On August 1, 2024, Virginia Natural Gas expects filed a base rate case with the Virginia Commission seeking an increase in annual base revenues of $63 million, including $17 million related to the recovery of investments under the SAVE program, primarily to recover investments and increased costs associated with infrastructure and technology. The requested increase is based on a projected 12-month period beginning January 1, 2025, an ROE of 10.45%, and an equity ratio of 54.92%. Rate adjustments were effective January 1, 2025, subject to refund. The Virginia Commission is expected to issue a final an order on this matter the requested increase in the second fourth quarter 2024. 2025. The ultimate outcome of this matter cannot be determined at this time.

Key Performance Indicators

In striving to achieve attractive risk-adjusted returns while providing cost-effective energy to approximately 8.9 million electric and gas utility customers collectively, the traditional electric operating companies and Southern Company Gas continue to focus on several key performance indicators. These indicators include, but are not limited to, customer satisfaction, plant availability, electric and natural gas system reliability, and execution of major construction projects. In addition, Southern Company and the Subsidiary Registrants

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focus on earnings per share (EPS) and net income, respectively, as a key performance indicator. See RESULTS OF OPERATIONS herein for information on the Registrants' financial performance.

The financial success of the traditional electric operating companies and Southern Company Gas is directly tied to customer satisfaction. Key elements of ensuring customer satisfaction include outstanding service, high reliability, and competitive prices. The traditional electric operating companies use customer satisfaction surveys to evaluate their results and generally target the top quartile of these surveys in measuring performance. Reliability indicators are also used to evaluate results. See Note 2 to the financial statements under "Alabama Power – Rate RSE" and "Mississippi Power – Performance Evaluation Plan" for additional information on Alabama Power's Rate RSE and Mississippi Power's PEP rate plan, respectively, both of which contain mechanisms that directly tie customer service indicators to the allowed equity return.

Southern Company Gas also continues to focus on several operating metrics, including Heating Degree Days, customer count, and volumes of natural gas sold. Southern Company Gas measures weather and the effect on its business using Heating Degree Days. Generally, increased Heating Degree Days result in higher demand for natural gas on Southern Company Gas' distribution system. See RESULTS OF OPERATIONS – "Southern Company Gas" herein for additional information on Southern Company Gas' operating metrics.

Southern Power continues to focus on several key performance indicators, including, but not limited to, the equivalent forced outage rate and contract availability to evaluate operating results and help ensure its ability to meet its contractual commitments to customers.

RESULTS OF OPERATIONS

Southern Company

Consolidated net income attributable to Southern Company was $4.4 billion in 2024, an increase of $425 million, or 10.7%, from 2023. The increase was primarily due to an increase in retail electric revenues associated with rates and pricing and weather impacts, an increase in natural gas revenues associated with rate increases, an increase in other revenues, and an increase in other electric revenues, partially offset by increases in non-fuel operations and maintenance expenses, income tax expense, interest expense, depreciation and amortization, taxes other than income taxes, and cost of other sales.

Basic EPS was $4.02 in 2024 and $3.64 in 2023. Diluted EPS, which factors in additional shares primarily related to stock-based compensation, was $3.99 in 2024 and $3.62 in 2023. EPS for 2024 and 2023 was negatively impacted by $0.01 and $0.06 per

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS

Southern Company

Consolidated net income attributable to Southern Company was $4.0 billion in 2023, an increase of $452 million, or 12.8%, from 2022. The increase was primarily due to lower non-fuel operations and maintenance costs, an increase in retail electric revenues associated with rates and pricing, a decrease in income tax expense, a decrease in after-tax charges related to the construction of Plant Vogtle Units 3 and 4, an increase in other revenues, an increase in natural gas revenues from rate increases and continued infrastructure replacement, and a goodwill impairment charge in 2022 at PowerSecure, partially offset by higher depreciation and amortization, higher interest expense, and a decrease in retail electric revenues associated with milder weather in 2023 compared to 2022. See Notes 1 and 2 to the financial statements under "Goodwill and Other Intangible Assets" and "Georgia Power – Nuclear Construction," respectively, for additional information.

Basic EPS was $3.64 in 2023 and $3.28 in 2022. Diluted EPS, which factors in additional shares related to stock-based compensation, was $3.62 in 2023 and $3.26 in 2022. EPS for 2023 and 2022 was negatively impacted by $0.06 and $0.04 per share, respectively, as a result of increases in the average shares outstanding. See Note 8 to the financial statements under "Outstanding Classes of Capital Stock – Southern Company" for additional information.

Dividends paid per share of common stock were $2.86 in 2024 and $2.78 in 2023 and $2.70 in 2022. 2023. In January 2024, 2025, Southern Company declared a quarterly dividend of 70 72 cents per share. For 2023, 2024, the dividend payout ratio was 76% 71% compared to 82% 76% for 2022. 2023.

Discussion of Southern Company's results of operations is divided into three parts – the Southern Company system's primary business of electricity sales, its gas business, and its other business activities.

	2023	2022
	(in millions)	
Electricity business	**$ 3,994**	$ 3,672
Gas business	**615**	572
Other business activities	**(633)**	(720)
Net Income	**$ 3,976**	$ 3,524

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

	2024	2023

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			(in millions)	
Electricity business	**$**	**4,473**	$	3,994
Gas business		**740**		615
Other business activities		**(812)**		(633)
Net Income	**$**	**4,401**	$	3,976

Electricity Business

Southern Company's electric utilities generate and sell electricity to retail and wholesale customers. A condensed statement of income for the electricity business follows:

		2023		Increase (Decrease) from 2022
		(in millions)		
Electric operating revenues	**$**	**19,998**	**$**	**(2,875)**
Fuel		**4,365**		**(2,470)**
Purchased power		**883**		**(710)**
Cost of other sales		**171**		**57**
Other operations and maintenance		**4,679**		**(550)**
Depreciation and amortization		**3,865**		**836**
Taxes other than income taxes		**1,159**		**34**
Estimated loss on Plant Vogtle Units 3 and 4		**(68)**		**(251)**
Total electric operating expenses		**15,054**		**(3,054)**
Operating income		**4,944**		**179**
Allowance for equity funds used during construction		**247**		**37**
Interest expense, net of amounts capitalized		**1,274**		**207**
Other income (expense), net		**533**		**17**
Income taxes		**583**		**(265)**
Net income		**3,867**		**291**
Less:				
Dividends on preferred stock of subsidiaries		**—**		**(11)**
Net loss attributable to noncontrolling interests		**(127)**		**(20)**
Net Income Attributable to Southern Company	**$**	**3,994**	**$**	**322**

Electric Operating Revenues

Electric operating revenues for 2023 were $20.0 billion, reflecting a $2.9 billion, or 12.6%, decrease from 2022. Details of electric operating revenues were as follows:

		2023		2022
		(in millions)		
Retail electric — prior year	**$**	**18,197**		
Estimated change resulting from —				
Rates and pricing		**437**		
Sales decline		**(33)**		
Weather		**(229)**		
Fuel and other cost recovery		**(2,029)**		
Retail electric — current year	**$**	**16,343**	$	18,197
Wholesale electric revenues		**2,467**		3,641
Other electric revenues		**792**		747
Other revenues		**396**		288
Electric operating revenues	**$**	**19,998**	$	22,873

Retail electric revenues decreased $1.9 billion, or 10.2%, in 2023 as compared to 2022. The significant factors driving this change are shown in the preceding table. The increase in rates and pricing in 2023 was primarily due to base tariff increases in accordance with Georgia Power's 2022 ARP, revenue reductions in 2022 resulting from Georgia Power's retail ROE exceeding the allowed

	2024	Increase (Decrease) from 2023
	(in millions)	

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Electric operating revenues	$	21,603	$	1,605
Fuel		4,096		(269)
Purchased power		883		—
Cost of other sales		237		66
Other operations and maintenance		5,111		432
Depreciation and amortization		4,034		169
Taxes other than income taxes		1,288		129
Estimated loss on Plant Vogtle Units 3 and 4		(21)		47
Total electric operating expenses		15,628		574
Operating income		5,975		1,031
Allowance for equity funds used during construction		209		(38)
Interest expense, net of amounts capitalized		1,372		98
Other income (expense), net		523		(10)
Income taxes		1,003		420
Net income		4,332		465
Net loss attributable to noncontrolling interests		(141)		(14)
Net Income Attributable to Southern Company	$	4,473	$	479

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

retail ROE range, an Electric Operating Revenues

Electric operating revenues for 2024 were $21.6 billion, reflecting a $1.6 billion, or 8.0%, increase from 2023. Details of electric operating revenues were as follows:

		2024		2023
		(in millions)		
Retail electric — prior year	$	16,343		
Estimated change resulting from —				
Rates and pricing		1,309		
Sales growth		36		
Weather		314		
Fuel and other cost recovery		(212)		
Retail electric — current year	$	17,790	$	16,343
Wholesale electric revenues		2,431		2,467
Other electric revenues		896		792
Other revenues		486		396
Electric operating revenues	$	21,603	$	19,998

Retail electric revenues increased $1.4 billion, or 8.9%, in 2024 as compared to 2023. The significant factors driving this change are shown in the preceding table. The increase in Rate CNP Compliance revenues rates and pricing was primarily due to the inclusion of Plant Vogtle Units 3 and 4 in retail rates net of the elimination of the NCCR tariff at Georgia Power, customer bill credits in 2023 at Alabama Power and a lower Rate RSE customer refund accrual related to the flowback of certain excess accumulated deferred income taxes, base tariff increases at Georgia Power in 2023 compared to accordance with the 2022 at Alabama Power, partially offset by lower ARP, higher contributions from commercial and industrial customers with variable demand-driven pricing and a decrease in the revenues recognized under the NCCR tariff, both at Georgia Power, and an increase in Rate CNP New Plant revenues at Alabama Power.

Electric rates for the traditional electric operating companies include provisions to adjust billings for fluctuations in fuel costs, including the energy component of purchased power costs. Under these provisions, fuel revenues generally equal fuel expenses, including the energy component of PPA costs, and do not affect net income. The traditional electric operating companies each have one or more regulatory mechanisms to recover other costs such as environmental and other compliance costs, storm damage, new plants, and PPA capacity costs.

See Note 2 to the financial statements under "Alabama Power" and "Georgia Power" for additional information. Also see "Energy Sales" herein for a discussion of changes in the volume of energy sold, including estimated changes related to sales and weather.

Wholesale electric revenues from power sales were as follows:

	2023	2022

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	2024			2023		
	(in millions)			(in millions)		
Capacity and other						
Energy	Energy	**1,837**	3,016	3,016 Energy	**1,779**	1,837 1,837
Total						

In 2023, 2024, wholesale electric revenues decreased $1.2 billion $36 million, or 32.2% 1.5%, as compared to 2022 primarily 2023 due to a decrease of $58 million in energy revenues, partially offset by an increase of $22 million in capacity and other revenues. Energy revenues decreased $884 million at Southern Power and $295 million $45 million at the traditional electric operating companies and $13 million at Southern Power primarily due to fuel and purchased power price decreases compared to 2022. Also contributing to 2023. Partially offsetting the Southern Power decrease was a net decrease an increase in the volume of KWHs sold primarily under natural gas and solar PPAs. The increase in capacity revenues was primarily due to a net increase in revenues from capacity contracts at Georgia Power and an increase in capacity revenues associated with natural gas PPAs. PPAs at Southern Power. The changes in capacity and energy revenues also reflect decreases resulting from power sales agreements that ended in 2023 at Alabama Power and Mississippi Power.

Wholesale electric revenues consist of revenues from PPAs and short-term opportunity sales. Wholesale electric revenues from PPAs (other than solar and wind PPAs) have both capacity and energy components. Capacity revenues generally represent the greatest contribution to net income and are designed to provide recovery of fixed costs plus a return on investment. Energy revenues will vary depending on fuel prices, the market prices of wholesale energy compared to the Southern Company system's generation, demand for energy within the Southern Company system's electric service territory, and the availability of the

Southern Company system's generation. Increases and decreases in energy revenues that are driven by fuel prices are accompanied by an increase or decrease in fuel costs and do not have a significant impact on net income. Energy sales from solar and wind PPAs do not have a capacity charge and customers either purchase the energy output of a dedicated renewable facility through an energy charge or through a fixed price related to the energy. As a result, the ability to recover fixed and variable operations and maintenance expenses is dependent upon the level of energy generated from these facilities, which can be impacted by weather conditions, equipment performance, transmission constraints, and other factors. Wholesale electric revenues at Mississippi Power include FERC-regulated MRA sales under cost-based tariffs as well as market-based sales. Short-term opportunity sales are made at market-based rates that generally provide a margin above the Southern Company system's variable cost to produce the energy.

Other Electric Revenues

Other electric revenues increased $45 million $104 million, or 6.0% 13.1%, in 2023 2024 as compared to 2022. 2023. The increase was primarily due to increases of $77 million in open access transmission tariff sales at the traditional electric operating companies, $29 million in regulated sales primarily associated with power delivery construction and maintenance at Georgia Power, and $23 million in regulated outdoor lighting sales at Georgia Power, $18 million resulting from receipts partially offset by a net increase of liquidated damages associated with generation facility production guarantees and an arbitration award at Southern Power, $17 million in realized gains losses associated with price stability products for retail customers on variable demand-driven pricing tariffs at Georgia Power and $17 million a decrease of $14 million related to liquidated damages receipts associated with generation facility production guarantees and an arbitration award in retail solar program fees 2023 at Southern Power.

Other revenues increased $90 million, or 22.7%, in 2024 as compared to 2023. The increase was primarily due to increases of $71 million in unregulated sales at Georgia Power partially offset by decreases of $25 million in cogeneration steam revenues associated with lower natural gas prices power delivery construction and maintenance, energy conservation projects, and renewables and $13 million in unregulated outdoor lighting sales at Alabama Power and $14 million in rent revenues primarily at Alabama Power.

the traditional electric operating companies.

Energy Sales

Changes in revenues are influenced heavily by the change in the volume of energy sold from year to year. KWH sales for 2023 2024 and the percent change from 2022 2023 were as follows:

	2023				2024			
	Total KWHs	Total KWHs	Total KWH Percent Change	Weather-Adjusted Percent Change(*)	Total KWHs	Total KWH Percent Change	Weather-Adjusted Percent Change(*)
	(in billions)						
Residential							
Residential							
Residential	**47.1**	(5.1)	(5.1)%	(0.5) %	**49.3**	**4.7**	**4.7 %**	**(0.5)%**
Commercial							

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Average cost of purchased power *(in cents per net KWH)*(c)

(a) Excludes Central Alabama Generating Station KWHs and associated cost of fuel through July 12, 2022 as its fuel was previously provided by the purchaser under a power sales agreement. See Note 15 to the financial statements under "Alabama Power" for additional information.

(b) Excludes KWHs generated from test period energy at Plant Vogtle Unit Units 3 and 4 prior to its each unit's respective in-service date. The related fuel costs are were charged to CWIP in accordance with FERC guidance. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information on Plant Vogtle Units 3 and 4.

(b) Excludes $55 million of credits recorded to nuclear fuel expense in 2024 resulting from litigation related to nuclear fuel disposal costs. See Note 3 to the financial statements under "Nuclear Fuel Disposal Costs" for additional information.

(c) Average cost of purchased power includes fuel purchased by the Southern Company system for tolling agreements where power is generated by the provider.

In 2023, 2024, total fuel and purchased power expenses were $5.2 billion $5.0 billion, a decrease of $3.2 billion $269 million, or 37.7% 5.1%, as compared to 2022. 2023. The decrease was primarily the result of a $2.7 billion $244 million decrease in related to the average cost of fuel generated and purchased, and partially offset by a $513 million $30 million net decrease in increase related to the volume of KWHs generated and purchased. Also contributing to the decrease was a $55 million credit to nuclear fuel expense at Georgia Power resulting from litigation related to nuclear fuel disposal costs. See Note 3 to the financial statements under "Nuclear Fuel Disposal Costs" for additional information.

Fuel and purchased power energy transactions at the traditional electric operating companies are generally offset by fuel revenues and do not have a significant impact on net income. See Note 2 to the financial statements for additional information. Fuel expenses incurred under Southern Power's PPAs are generally the responsibility of the counterparties and do not significantly impact net income.

Fuel

In 2023, 2024, fuel expense was $4.4 billion $4.1 billion, a decrease of $2.5 billion $269 million, or 36.1% 6.2%, as compared to 2022. 2023. The decrease was primarily due to a 47.6% 9.0% decrease in the average cost of coal per KWH generated, a 5.4% decrease in the average cost of natural gas per KWH generated, and a 22.5% 3.5% decrease in the volume of KWHs generated by coal, natural gas, partially offset by a 15.6% increase in the volume of KWHs generated by nuclear, a 13.2% increase in the average cost per KWH generated by nuclear, an 18.2% 8.0% decrease in the volume of KWHs generated by hydro, an 18.0% increase in the average cost of coal per KWH generated, and a 10.8% 7.6% increase in the volume of KWHs generated by coal. Also contributing to the decrease was a $55 million credit to nuclear and a 6.9% increase in fuel expense at Georgia Power resulting from litigation related to nuclear fuel disposal costs. See Note 3 to the volume of KWHs generated by natural gas. financial statements under "Nuclear Fuel Disposal Costs" for additional information.

Purchased Power

In 2023, 2024, purchased power expense was $883 million, a decrease of $710 million, or 44.6%, as which was flat compared to 2022. The decrease was primarily due to a 32.5% decrease in the average cost per KWH purchased primarily due to lower natural gas prices and a 27.5% decrease in the volume of KWHs purchased. 2023.

Energy purchases will vary depending on demand for energy within the Southern Company system's electric service territory, the market prices of wholesale energy as compared to the cost of the Southern Company system's generation, and the availability of the Southern Company system's generation.

Cost of Other Sales

Cost of other sales increased $57 million $66 million, or 50.0% 38.6%, in 2023 2024 as compared to 2022. 2023. The increase was primarily due to increases of $40 million from in expenses associated with unregulated power delivery construction and maintenance projects contracts at Georgia Power and $20 million $18 million in expenses related to unregulated products and services associated with energy conservation projects at Alabama Georgia Power.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Other Operations and Maintenance Expenses

Other operations and maintenance expenses decreased $550 million increased $432 million, or 10.5% 9.2%, in 2023 2024 as compared to 2022. 2023. The decrease reflects a decrease increase was primarily due to increases of $189 million $170 million in generation expenses primarily associated with the reliability reserve accruals Plant Vogtle Units 3 and reliability-related expenditures incurred 4 being placed in service at Georgia Power, maintenance and scheduled outage expenses, and Rate CNP Compliance-related expenses at Alabama Power. Excluding this decrease, there were decreases of $223 million Power, $166 million in transmission and distribution expenses primarily related to line maintenance $182 million and billing adjustments with integrated transmission system owners at Georgia Power, $41 million in storm damage recovery as authorized customer service and sales expenses including bad debt, $36 million related to an impairment loss associated with Alabama Power discontinuing the development of a multi-use commercial facility, $21 million associated with an additional Rate NDR accrual at Alabama Power, $20 million associated with reliability reserve accruals and reliability-related expenses at Alabama Power and Mississippi Power, $16 million associated with a gain on the sale of spare parts in Georgia Power's 2022 ARP, $91 million 2023 at Southern Power, $11 million associated with an arbitration award received in generation non-outage maintenance expenses 2023 at Southern Power related to losses previously incurred, and planned outages, and $50 million $10 million in employee compensation and benefit expenses, amortization of deferred cloud implementation costs, partially offset by an $86 million a $91 million increase in gains from sales of integrated transmission system assets at Georgia Power and a $31 million decrease in technology infrastructure and application production costs and a $73 million increase in generation environmental projects primarily at Georgia Power. expenses. See Note 1 to the financial statements under "Storm Damage and Reliability Reserves" and "Impairment of Long-Lived Assets" and Note 2 to the financial statements under "Georgia Power – Transmission Asset Sales" and " – Nuclear Construction" for additional information.

Depreciation and Amortization

Depreciation and amortization increased $836 million $169 million, or 27.6% 4.4%, in 2023 2024 as compared to 2022. 2023. The increase was primarily due to increases an increase of $541 million and $190 million resulting from higher depreciation rates at Alabama Power and Georgia Power, respectively, and $79 million from $244 million associated with additional plant in service. service, partially offset by a decrease of $59 million in amortization of regulatory assets related to CCR AROs at Georgia Power as approved in the

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2024 compliance filing under the terms of the 2022 ARP and an increase of $24 million in amortization of federal ITCs at Georgia Power. See Note 2 to the financial statements under "Alabama "Georgia Power – Rate CNP Depreciation" Plans" for additional information. Also see Note 10 to the financial statements for additional information on amortization of federal ITCs.

Taxes Other Than Income Taxes

Taxes other than income taxes increased $34 million $129 million, or 3.0% 11.1%, in 2023 2024 as compared to 2022. 2023. The increase was primarily due to increases of $62 million $92 million in property taxes primarily at Georgia Power resulting from an increase in the assessed value of property at the traditional electric operating companies as well as a decrease in the capitalized portion of property taxes at Georgia Power primarily due to Plant Vogtle Units 3 and $14 million 4 being placed in service in July 2023 and April 2024, respectively, $23 million in municipal franchise fees resulting from higher retail revenues at Georgia Power, and $13 million in utility license taxes at Alabama Power partially offset by a decrease of $40 million in municipal franchise fees resulting from lower retail revenues at Georgia Power. an increase in the tax base. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information.

Estimated Loss on Plant Vogtle Units 3 and 4

Georgia Power recorded pre-tax charges (credits) credits to income for related to the estimated probable loss on Plant Vogtle Units 3 and 4 totaling $(68) million $21 million and $183 million $68 million in 2023 2024 and 2022, 2023, respectively. The charges (credits) credits to income in each year were recorded to reflect Georgia Power's reflected revisions to the total project capital cost forecast to complete for the construction and start-up completion of Plant Vogtle Units 3 and 4 and the related cost recovery. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information.

Allowance for Equity Funds Used During Construction

Allowance for equity funds used during construction increased $37 million decreased $38 million, or 17.6% 15.4%, in 2023 2024 as compared to 2022. 2023. The increase decrease was primarily associated with Plant Vogtle Units 3 and 4 being placed in service in July 2023 and April 2024, respectively, at Georgia Power and Plant Barry Unit 8 being placed in service in November 2023 at Alabama Power, partially offset by an increase in capital expenditures subject to AFUDC at Georgia Power and an increase in capital expenditures related to hydro production and Plant Barry Unit 8 construction at Alabama Power. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" and "Alabama Power – Rate CNP New Plant" for additional information.

Interest Expense, Net of Amounts Capitalized

Interest expense, net of amounts capitalized increased $207 million $98 million, or 19.4% 7.7%, in 2023 2024 as compared to 2022. 2023. The increase primarily reflects approximately $120 million $43 million related to higher interest rates and $96 million $37 million related to higher average outstanding borrowings. borrowings, as well as a net decrease of $35 million in AFUDC debt and capitalized interest primarily related to Plant Vogtle Units 3 and 4 at Georgia Power and Plant Barry Unit 8 at Alabama Power. See FINANCIAL CONDITION AND LIQUIDITY – "Sources of Capital" and "Financing Activities" herein, Note 2 to the financial statements under "Alabama Power – Rate CNP New Plant" and "Georgia Power – Nuclear Construction," and Note 8 to the financial statements for additional information.

Other Income (Expense), Net

Other income (expense), net increased $17 million, or 3.3%, in 2023 as compared to 2022 primarily due to a $48 million decrease in charitable donations primarily at Georgia Power, a $15 million increase in interest income, and a $14 million decrease in non-operating benefit-related expenses at Alabama Power, partially offset by a $42 million decrease in non-service cost-related retirement benefits income and a $13 million decrease in customer charges related to contributions in aid of construction at Georgia Power. See Note 11 to the financial statements for additional information.

Income Taxes

Income taxes decreased $265 million, or 31.3%, in 2023 as compared to 2022. The decrease was primarily due to a $252 million increase in the flowback of certain excess deferred income taxes at Alabama Power, an $85 million decrease in charges to a valuation allowance on certain state tax credit carryforwards at Georgia Power, generation of $35 million of advanced nuclear PTCs at Georgia Power, and a $32 million adjustment in 2022 related to a prior year state tax credit carryforward at Georgia Power, partially offset by a $145 million decrease in the flowback of certain excess deferred income taxes at Georgia Power that ended in 2022. See Note 10 to the financial statements for additional information.

Income Taxes

Income taxes increased $420 million, or 72.0%, in 2024 as compared to 2023. The increase was primarily due to higher pre-tax earnings, a $197 million decrease in the flowback of certain excess deferred income taxes at Alabama Power, and a $112 million increase in charges to a valuation allowance on certain state tax credit carryforwards at Georgia Power, partially offset by an increase of $79 million in the generation of advanced nuclear PTCs at Georgia Power and $26 million from the recognition of certain state tax positions from amended returns at Georgia Power. See Note 10 to the financial statements for additional information.

Net Loss Attributable to Noncontrolling Interests

Substantially all noncontrolling interests relate to renewable projects at Southern Power. Net loss attributable to noncontrolling interests increased $20 million $14 million, or 18.7% 11.0%, in 2023 2024 as compared to 2022. 2023. The increased loss was primarily due to $25 million $23 million in higher HLBV loss allocations to Southern Power's wind tax equity partners, and $5 million partially offset by $12 million in lower higher income allocations to Southern Power's equity partners, partially offset by $10 million in lower HLBV loss allocations to Southern Power's battery energy storage partners.

Gas Business

Southern Company Gas distributes natural gas through utilities in four states and is involved in several other complementary businesses including gas pipeline investments and gas marketing services.

A condensed statement of income for the gas business follows:

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	2023	Increase (Decrease) from 2022	2024	Increase (Decrease) from 2023
	(in millions)		*(in millions)*	
Operating revenues				
Cost of natural gas				
Other operations and maintenance				
Depreciation and amortization				
Taxes other than income taxes				
Impairment charges				
Estimated loss on regulatory disallowance				
Gain on dispositions, net				
Total operating expenses				
Total operating expenses				
Total operating expenses				
Operating income				
Earnings from equity method investments				
Interest expense, net of amounts capitalized				
Other income (expense), net				
Income taxes				
Net income				

Southern Company Gas measures weather and the effect on its business using Heating Degree Days. Generally, increased Heating Degree Days result in higher demand for natural gas on Southern Company Gas' distribution system. During the period from November through March when natural gas usage and operating revenues are generally higher (Heating Season), Heating Season, more customers are connected to Southern Company Gas' distribution systems and natural gas usage is higher in periods of colder weather. Southern Company Gas' base operating expenses, excluding cost of natural gas, bad debt expense, and certain incentive compensation costs, are incurred relatively equally over any given year. Thus, As a result, operating results can vary significantly from quarter to quarter as a result quarter. For 2024, the percentage of seasonality. operating revenues and net income generated during the Heating Season was 62% and 80%, respectively. For 2023, the percentage of operating revenues and net income generated during the Heating Season was 67% and 73%, respectively.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

the Heating Season (January through March and November through December) were 67% and 73%, respectively. For 2022, the percentage of operating revenues and net income generated during the Heating Season were 67% and 66%, respectively.

Operating Revenues

Operating revenues in 2023 2024 were $4.7 billion $4.5 billion, reflecting a $1.3 billion $246 million, or 21.1% 5.2%, decrease compared to 2022. 2023. Details of operating revenues were as follows:

		2023 2024
		(in millions)
Operating revenues – prior year	$	5,962 4,702
Estimated change resulting from –		
Infrastructure replacement programs and base rate Rate changes		194 243
Gas costs and other cost recovery		(1,323) (407)
Gas marketing services		(93) (30)
Other		(38) (52)
Operating revenues – current year	$	4,702 4,456

Revenues increased from infrastructure replacement programs and base rate changes increased in 2023 2024 primarily due to base rate increases at the natural gas distribution utilities and continued investment in infrastructure replacement, partially offset by lower volumes sold and regulatory disallowances at Nicor Gas. utilities. See Note 2 to the financial statements under "Southern Company Gas" Gas – Rate Proceedings" for additional information.

Revenues associated with gas costs and other cost recovery decreased in 2023 2024 primarily due to lower natural gas cost recovery associated with lower natural gas prices the timing of natural gas purchases, and the recovery of those costs from customers. lower demand associated with warmer weather. The natural gas distribution utilities have weather or revenue normalization mechanisms that mitigate revenue fluctuations from customer consumption changes. Natural gas distribution rates include provisions to adjust billings for

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fluctuations in natural gas costs. Therefore, gas costs recovered through natural gas revenues generally equal the amount expensed in cost of natural gas and do not affect net income from the natural gas distribution utilities. See "Cost of Natural Gas" herein for additional information.

Revenues from gas marketing services decreased in 2023 2024 primarily due to lower natural gas prices and the timing of unrealized hedge losses. commodity prices.

Southern Company Gas hedged has various regulatory mechanisms, such as weather and revenue normalization and straight-fixed-variable rate design, which limit its exposure to weather changes within typical ranges in each of its utility's respective service territory. Southern Company Gas also utilizes weather hedges to limit the negative income impacts in the event of warmer-than-normal weather in Illinois for gas distribution operations and in Illinois and Georgia for gas marketing services. The remaining impacts of Therefore, weather on earnings were immaterial. typically does not have a significant net income impact.

Cost of Natural Gas

Excluding Atlanta Gas Light, which does not sell natural gas to end-use customers, the natural gas distribution utilities utilities' rates include provisions to adjust billings for fluctuations in natural gas costs. Therefore, gas costs recovered through natural gas revenues generally equal the amount expensed in cost of natural gas and do not affect net income from the natural gas distribution utilities. See Note 2 to the financial statements under "Southern Company Gas – Natural Gas Cost Recovery" for additional information.

Cost of natural gas at the natural gas distribution utilities represented 83.5% 80.3% of the total cost of natural gas for 2023. 2024.

Gas marketing services customers are charged for actual and estimated natural gas consumed. Cost of natural gas includes the cost of fuel and associated transportation costs, lost and unaccounted for gas, and gains and losses associated with certain derivatives.

Cost of natural gas was $1.6 billion $1.2 billion, a decrease of $1.4 billion $448 million, or 45.3% 27.3%, in 2023 2024 as compared to 2022. 2023, which reflects lower gas cost recovery in 2023 2024 as a result of a 58.8% 17.1% decrease in natural gas prices compared to 2022. 2023.

Other Operations and Maintenance Expenses

Other operations and maintenance expenses increased $18 million decreased $40 million, or 1.5% 3.1%, in 2023 2024 as compared to 2022. 2023. The increase decrease was primarily due to increases prior year regulatory disallowances totaling $88 million at Nicor Gas and decreases of $70 million in compensation and benefits and $20 million $12 million related to energy service services contracts partially offset by a decrease of $60 million and $9 million in expenses passed through to customers primarily related to bad debt and energy efficiency programs at the natural gas distribution utilities. utilities, partially offset by increases of $56 million in compensation and benefit expenses and $20 million in survey, locate, and inspection expenses for distribution gas mains. See Note 2 to the financial statements under "Southern Company Gas" for additional information.

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COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Depreciation and Amortization

Depreciation and amortization increased $23 million $68 million, or 4.1% 11.7%, in 2023 2024 as compared to 2022. 2023. The increase was primarily due to continued infrastructure investments at the natural gas distribution utilities. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects" for additional information.

Taxes Other Than Income Taxes

Taxes other than income taxes decreased $20 million, or 7.1%, in 2023 comparedTable of ContentsIndex to 2022. The decrease was primarily due to a $29 million decrease in revenue taxes, partially offset by increases in payroll and property taxes. Financial Statements

Impairment Charges

In 2022, Southern Company Gas recorded pre-tax impairment charges totaling approximately $131 million ($99 million after tax) as a result of an agreement to sell two natural gas storage facilities. See Note 15 to the financial statements under "Southern Company Gas" for additional information. **COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS**

Estimated Loss on Regulatory Disallowance

In 2023, Southern Company Gas recorded pre-tax charges related to the disallowance of certain capital investments at Nicor Gas, $88 million of which was recorded in estimated loss on regulatory disallowance. See Note 2 under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects – Nicor Gas" for additional information.

Interest Expense, Net of Amounts Capitalized

Interest expense, net of amounts capitalized increased $47 million $31 million, or 17.9% 10.0%, in 2023 2024 as compared to 2022. 2023. The increase reflects approximately $43 million related to higher interest rates and $8 million $17 million related to higher average outstanding borrowings. borrowings and $14 million related to higher interest rates. See FINANCIAL CONDITION AND LIQUIDITY – "Sources of Capital" and "Financing Activities" herein and Note 8 to the financial statements for additional information.

Income Taxes

Income taxes increased $31 million $47 million, or 17.2% 22.3%, in 2023 2024 as compared to 2022. 2023. The increase was primarily due to $33 million of tax benefit in 2022 related to the impairment charges associated with the sale of two natural gas storage facilities and higher taxes related to increased earnings, partially offset by approximately $24 million related to the regulatory disallowances at Nicor Gas. pre-tax earnings. See Notes 2 and 15 to the financial statements under "Southern Company Gas" and Note 10 to the financial statements for additional information.

Other Business Activities

Southern Company's other business activities primarily include the parent company (which does not allocate operating expenses to business units); PowerSecure, which provides distributed energy and resilience solutions and deploys microgrids for commercial, industrial, governmental, and utility customers; Southern Holdings, which invests in various

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projects; and Southern Linc, which provides digital wireless communications for use by the Southern Company system and also markets these services to the public and provides fiber optics services within the Southeast.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

A condensed statement of operations for Southern Company's other business activities follows:

	2023	Increase (Decrease) from 2022
	2024	Increase (Decrease) from 2023
	(in millions)	
Operating revenues		
Cost of other sales		
Other operations and maintenance		
Depreciation and amortization		
Taxes other than income taxes		
Impairment charges		
Gain on dispositions, net		
Total operating expenses		
Total operating expenses		
Total operating expenses		
Operating income (loss)		
Earnings from equity method investments		
Earnings (loss) from equity method investments		
Interest expense		
Other income (expense), net		
Other income (expense), net		
Other income (expense), net		
Income taxes (benefit)		
Net loss		

Operating Revenues

Operating revenues for these other business activities increased $110 million $111 million, or 24.8% 20.0%, in 2023 2024 as compared to 2022 2023 primarily due to increases an increase of $92 million $120 million at PowerSecure primarily related to distributed infrastructure projects, partially offset by a decrease of $18 million at PowerSecure and $24 million Southern Linc primarily related to equipment sales associated with commercial customers at Southern Linc. customers.

Cost of Other Sales

Cost of other sales for these other business activities increased $87 million $56 million, or 32.5% 15.8%, in 2023 2024 as compared to 2022 2023 primarily due to increases an increase of $58 million $82 million at PowerSecure primarily related to distributed infrastructure projects, partially offset by a decrease of $15 million at PowerSecure and $23 million Southern Linc primarily related to equipment sales associated with commercial customers at Southern Linc. customers.

Other Operations and Maintenance

Other operations and maintenance expenses for these other business activities decreased $26 million increased $38 million, or 12.9% 21.7%, in 2023 2024 as compared to 2022 2023 primarily due to a decrease an increase at the parent company primarily related to cost containment efforts and lower higher director compensation expenses.

Impairment Charges Earnings (Loss) from Equity Method Investments

In 2022, a goodwill impairment charge of $119 million Earnings (loss) from equity method investments for these other business activities decreased $21 million in 2024 as compared to 2023. The decrease was recorded primarily due to investment losses at PowerSecure. Southern Holdings. See Note 1 7 to the financial statements under "Goodwill and Other Intangible Assets" "Southern Company" for additional information.

Gain information on Dispositions, Net

In 2022, a $14 million gain was recorded at the parent company as a result of the early termination of the transition services agreement related to the 2019 sale of Gulf Power.

Interest Expense

Interest expense for these other business activities increased $171 million, or 24.7%, in 2023 as compared to 2022. The increase primarily results from parent company financing activities and includes approximately $112 million related to higher interest rates and $73 million related to higher average outstanding borrowings. See Note 8 to the financial statements for additional information. Southern Holdings' equity method investments.

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Other Income (Expense), Net *Interest Expense*

Other income (expense), net Interest expense for these other business activities increased $39 million $167 million, or 70.9% 19.4%, in 2023 2024 as compared to 2022 2023. The increase primarily due results from parent company financing activities and includes approximately $88 million related to a $29 million decrease in charitable donations higher average outstanding borrowings and a $12 million increase in $59 million related to higher interest income, both primarily at the parent company. rates. See Note 15 8 to the financial statements under "Southern Company" for additional information.

Income Taxes (Benefit)

The income tax benefit for these other business activities increased $65 million decreased $6 million, or 27.9% 2.0%, in 2023 2024 as compared to 2022. 2023. The increase decrease was primarily due to a $35 million tax benefit in 2023 at the parent company related to a reversal of an uncertain tax position associated with the 2019 sale of Gulf Power and as well as higher pre-tax earnings at PowerSecure, largely offset by higher pre-tax losses both at the parent company.

Alabama Power

Alabama Power's 2023 2024 net income after dividends on preferred stock was $1.37 billion $1.4 billion, representing a $30 million $33 million, or 2.2% 2.4%, increase from 2022. 2023. The increase was primarily due to a decrease an increase in income tax expense, retail electric revenues associated with weather impacts, as well as an increase in Rate CNP Compliance New Plant revenues a decrease and an increase in other revenues. These increases to income were partially offset by increases in non-fuel operations and maintenance expenses, primarily related to the reliability reserve, depreciation, and a lower Rate RSE customer refund accrual in 2023 compared to 2022. These increases to net taxes other than income were offset by an increase in depreciation rates effective January 2023, a decrease in retail revenues associated with milder weather in Alabama Power's service territory in the first and second quarters of 2023 compared to the corresponding periods in 2022, and increases in capacity-related expenses and interest expense. taxes. See Note 2 to the financial statements under "Alabama Power" for additional information.

A condensed income statement for Alabama Power follows:

	2023	Increase (Decrease) from 2022
	2024	Increase (Decrease) from 2023
		(in millions)
Operating revenues		
Fuel		
Purchased power		
Other operations and maintenance		
Depreciation and amortization		
Taxes other than income taxes		
Total operating expenses		
Operating income		
Allowance for equity funds used during construction		
Interest expense, net of amounts capitalized		
Other income (expense), net		
Income taxes		
Net income		
Dividends on preferred stock		
Net income after dividends on preferred stock		

Operating Revenues

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Operating revenues for 2023 2024 were $7.1 billion $7.6 billion, reflecting a $767 million $504 million, or 9.8% 7.1%, decrease increase from 2022. 2023. Details of operating revenues were as follows:

	2023	2022
	2024	2023
		(in millions)
Retail — prior year		
Estimated change resulting from —		
Estimated change resulting from —		
Estimated change resulting from —		
Rates and pricing		
Rates and pricing		
Rates and pricing		
Sales decline		
Sales decline		
Sales decline		
Weather		
Weather		
Weather		
Fuel and other cost recovery		
Fuel and other cost recovery		
Fuel and other cost recovery		
Retail — current year		
Retail — current year		
Retail — current year		
Wholesale revenues —		
Non-affiliates		
Non-affiliates		
Non-affiliates		
Affiliates		
Total wholesale revenues		
Other operating revenues		
Total operating revenues		

Retail revenues decreased $311 million increased $480 million, or 4.8% 7.8%, in 2023 2024 as compared to 2022. 2023. The significant factors driving this change are shown in the preceding table. The decrease increase in rates and pricing was primarily due to a decrease customer bill credits in fuel and other cost recovery, partially offset by an increase in revenues associated with rates and pricing primarily due 2023 related to the flowback of certain excess accumulated deferred income taxes as well as an increase in Rate CNP Compliance revenues and a lower Rate RSE customer refund accrual in 2023 compared to 2022.

New Plant revenues. See Note 2 to the financial statements under "Alabama Power – Rate ECR," " – Rate RSE," and " – Rate CNP Compliance" New Plant" for additional information.

See "Energy Sales" herein for a discussion of changes in the volume of energy sold, including estimated changes related to sales and weather.

Electric rates include provisions to recognize the recovery of fuel costs, purchased power costs, PPAs certificated by the Alabama PSC, and costs associated with the NDR. Under these provisions, fuel and other cost recovery revenues generally equal fuel and other cost recovery expenses and do not affect net income. See Note 2 to the financial statements under "Alabama Power" for additional information.

Wholesale revenues from sales to non-affiliated utilities were as follows:

	2023	2022
	2024	2023
		(in millions)
Capacity and other		
Energy		
Total non-affiliated		

In 2023, 2024, wholesale revenues from sales to non-affiliates decreased $302 million $87 million, or 41.6% 20.5%, as compared to 2022. 2023. The decrease primarily reflects a 26.0% 30.8% decrease in the volume of KWHs sold as a result of power sales agreements that ended in May 2023 and a 20.8% decrease in the price of energy primarily as a result of lower natural gas prices. 2023.

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Wholesale revenues from sales to non-affiliates will vary depending on fuel prices, the market prices of wholesale energy compared to the cost of Alabama Power's and the Southern Company system's generation, demand for energy within the Southern Company system's electric service territory, and the availability of the Southern Company system's generation. Increases and decreases in energy revenues that are driven by fuel prices are accompanied by an increase or decrease in fuel costs and do not affect net income. Short-term opportunity energy sales are also included in wholesale energy sales to non-affiliates. These opportunity sales are made at market-based rates that generally provide a margin above Alabama Power's variable cost to produce the energy.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

In 2023, 2024, wholesale revenues from sales to affiliates decreased $142 million increased $79 million, or 70.3% 131.7%, as compared to 2022. 2023. The revenue decrease reflects a 47.7% decrease increase was primarily due to an increase of 165.5% in the price volume of energy due to lower natural gas prices and a 42.9% decrease in KWH sales due to lower customer demand as a result of milder weather in 2023. affiliated company energy needs.

Wholesale revenues from sales to affiliated companies will vary depending on demand and the availability and cost of generating resources at each company. These affiliate sales and purchases are made in accordance with the IIC, as approved by the FERC.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

These transactions do not have a significant impact on earnings since this energy is generally sold at marginal cost and energy purchases are generally offset by energy revenues through Alabama Power's energy cost recovery clause.

In 2023, 2024, other operating revenues decreased $12 million increased $32 million, or 2.9% 7.9%, as compared to 2022 2023 primarily due to decreases of $25 million a $30 million increase in cogeneration steam transmission revenue primarily associated with lower natural gas prices and $17 million in rent revenues, partially offset by a $34 million increase in unregulated sales of products and services. open access transmission tariff sales.

Energy Sales

Changes in revenues are influenced heavily by the change in the volume of energy sold from year to year. KWH sales for 2023 2024 and the percent change from 2022 2023 were as follows:

	2023				2024			
	Total KWHs	Total KWHs	Total KWH Percent Change	Weather-Adjusted Percent Change(*)	Total KWHs	Total KWH Percent Change	Weather-Adjusted Percent Change(*)
	(in billions)						
Residential							
Residential							
Residential	17.4	(5.7)	(5.7)%	(0.9) %	18.1	4.0	4.0 %	(0.7) %
Commercial							
Industrial							
Other							
Total retail	Total retail 50.8	(3.4)	(3.4)	(1.3)	(1.3)%	Total retail 51.9	2.3	2.3 %	0.3 %
Wholesale							
Non-affiliates							
Non-affiliates							
Non-affiliates							
Affiliates							
Affiliates							
Affiliates							
Total wholesale							
Total wholesale							
Total wholesale							
Total energy sales							
Total energy sales							
Total energy sales							

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(*) Weather-adjusted KWH sales are estimated using statistical models of the historical relationship between temperatures and energy sales, and then removing the estimated effect of deviations from the normal temperature conditions. Normal temperature conditions are defined as those experienced in Alabama Power's service territory over a specified historical period. This metric is useful because it allows trends in historical operations to be evaluated apart from the influence of weather conditions. Management also considers this metric in developing long-term capital and financial plans.

Changes in retail energy sales are generally the result of changes in electricity usage by customers, weather, and the number of customers. Revenues attributable to changes in sales decreased in 2023 2024 when compared to 2022. 2023. In 2023, 2024, weather-adjusted residential KWH sales decreased 0.9% 0.7% primarily due to decreased a decrease in customer usage. Weather-adjusted commercial KWH sales increased 0.4% 0.8% primarily due to increased customer usage and customer growth. Industrial KWH sales decreased 2.8% as a result of a decrease in demand resulting from changes in production levels increased 0.7% primarily due to an increase in the chemicals pipeline and forest products sectors.

See "Operating Revenues" above for a discussion of significant changes in wholesale revenues from sales to non-affiliates and wholesale revenues from sales to affiliated companies related to changes in price and KWH sales.

Fuel and Purchased Power Expenses

The mix of fuel sources for generation of electricity is determined primarily by the unit cost of fuel consumed, demand, and the availability of generating units. Additionally, Alabama Power purchases a portion of its electricity needs from the wholesale market.

Details of Alabama Power's generation and purchased power were as follows:

	2023	2022
	2024	2023
Total generation *(in billions of KWHs)*(a)		
Total purchased power *(in billions of KWHs)*		
Sources of generation *(percent)*(a) —		
Sources of generation *(percent)* —		
Gas		
Gas		
Gas		
Coal		
Coal		
Coal		
Gas		
Nuclear		
Hydro		
Cost of fuel, generated *(in cents per net KWH)* —		
Gas		
Gas		
Gas		
Coal		
Coal		
Coal		
Gas(a)		
Nuclear		
Average cost of fuel, generated *(in cents per net KWH)*(a)		
Average cost of purchased power *(in cents per net KWH)*(b)		
Average cost of purchased power *(in cents per net KWH)*(*)		

(a) Excludes Central Alabama Generating Station KWHs and associated cost of fuel through July 12, 2022 as its fuel was previously provided by the purchaser under a power sales agreement. See Note 15 to the financial statements under "Alabama Power" for additional information.

(b) (*) Average cost of purchased power includes fuel, energy, and transmission purchased by Alabama Power for tolling agreements where power is generated by the provider.

Fuel and purchased power power expenses were $1.8 billion $1.7 billion in 2023, 2024, a decrease of $838 million $71 million, or 31.7% 3.9%, compared compared to 2022. 2023. The decrease was primarily due to a $674 million $54 million net decrease in related to the average cost of fuel and purchased power and a $164 million $17 million net decrease related related to the volume of KWHs generated and purchased.

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Fuel and purchased power energy transactions do not have a significant impact on earnings since energy expenses are generally offset by energy revenues through Alabama Power's energy cost recovery clause. Alabama Power, along with the Alabama PSC, continuously monitors the under/over recovered balance to determine whether adjustments to billing rates are required. See Note 2 to the financial statements under "Alabama Power – Rate ECR" for additional information.

Fuel

Fuel expense was $1.3 billion $1.4 billion in 2023, a decrease 2024, an increase of $541 million $59 million, or 29.4% 4.5%, compared to 2022. 2023. The decrease increase was primarily due to a 41.6% decrease in the average cost of natural gas per KWH generated, which excludes tolling agreements, and a 29.1% decrease in the volume of KWHs generated by coal, partially offset by a 21.2% 23.1% increase in the volume of KWHs generated by natural gas, an 18.9% 8.4% increase in the volume of KWHs generated by coal, and a 9.6% decrease in the volume of KWHs generated by hydro facilities as a result of less rainfall, partially offset by an 8.7% decrease in 2023, the average cost per KWH generated by natural gas, which excludes tolling agreements, and a 13.6% increase 7.8% decrease in the volume of KWHs average cost per KWH generated by nuclear. coal.

Purchased Power – Non-Affiliates

Purchased power expense expense from non-affiliates was $253 million $199 million in 2023, 2024, a decrease of $188 million $54 million, or 42.6% 21.3%, compared to 2022. The 2023. The decrease was primarily due to a 32.9% decrease in the average cost per KWH purchased primarily due to lower natural gas prices and a 25.5% 31.3% decrease in the volume of KWHs purchased primarily due to as a result of a PPA that ended in May 2023 and the availability of lower cost Plant Barry Unit 8 and Central Alabama Generating Station generation, partially offset by a 12.5% increase in the Southern Company system. average cost per KWH purchased.

Energy purchases from non-affiliates will vary depending on the market prices of wholesale energy as compared to the cost of the Southern Company system's generation, demand for energy within the Southern Company system's electric service territory, and the availability of the Southern Company system's generation.

Purchased Power – Affiliates

Purchased power expense from affiliates was $251 million $175 million in 2023, 2024, a decrease of $109 million $76 million, or 30.3%, compared compared to 2022. 2023. The decrease was primarily due to a 51.4% 42.4% decrease in the average cost per KWH purchased primarily due to lower natural gas prices, partially offset by a 43.4% increase in the volume of KWHs purchased due to the availability of Plant Barry Unit 8 and Central Alabama Generating Station generation and a reduction in capacity-related expenses due to lower cost gas generation capacity needs in 2024, partially offset by a 21.0% increase in the Southern Company system. average cost per KWH purchased.

Energy purchases from affiliates will vary depending on demand for energy and the availability and cost of generating resources at each company within the Southern Company system. These purchases are made in accordance with the IIC or other contractual agreements, as approved by the FERC.

Other Operations and Maintenance Expenses

Other operations and maintenance expenses decreased $166 million increased $126 million, or 8.6% 7.1%, in 2023 2024 as compared to 2022. 2023. The change increase was primarily due to a decrease increases of $189 million $36 million related to an impairment loss associated with Alabama Power discontinuing the development of a multi-use commercial facility, $21 million associated with an additional Rate NDR accrual, $16 million in certain employee compensation and benefits, $15 million in Rate CNP Compliance-related expenses, $10 million associated with reliability reserve accruals and reliability-related expenditures incurred, as well as decreases of $33 million expenses, $10 million in customer accounts primarily associated with bad debt expense, $9 million in transmission and distribution expenses primarily due to vegetation management, and $21 million in certain employee compensation $8 million related to the injuries and benefit expenses. damages reserve. These decreases increases were partially offset by increases a decrease of $30 million $28 million in technology infrastructure and application production costs costs.

See Note 1 to the financial statements under "Impairment of Long-Lived Assets" and $25 million in expenses related to unregulated products and services, as well as a $14 million decrease in nuclear property insurance refunds. See Note 2 to the financial statements under "Alabama Power – Rate CNP Compliance," " – Rate NDR," and " – Reliability Reserve Accounting Order" for additional information.

Depreciation and Amortization

Depreciation and amortization increased $526 million $58 million, or 60.1% 4.1%, in 2023 2024 as compared to 2022 2023 primarily due to an increase additional plant in depreciation rates effective service related to transmission and distribution facilities as well as Plant Barry Unit 8 being placed in service in November 2023. See Note 2 to the financial statements under "Alabama Power – Rate CNP Depreciation" New Plant" for additional information.

Taxes Other Than Income Taxes

Taxes other than income taxes increased $29 million, or 6.6%, in 2024 as compared to 2023 primarily due to increases of $13 million in property taxes primarily resulting from an increase in the assessed value of property and $13 million in utility license taxes resulting from an increase in the tax base.

Allowance for Equity Funds Used During Construction

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Allowance for equity funds used during construction increased $12 million decreased $25 million, or 17.1% 30.5%, in 2023 2024 as compared to 2022 2023 primarily due to increases in capital expenditures related to hydro production and Plant Barry Unit 8 construction. being placed in service in November 2023. See Note 2 to the financial statements under "Alabama Power – Rate CNP New Plant" for additional information.

Interest Expense, Net of Amounts Capitalized

Interest expense, net of amounts capitalized increased $43 million $23 million, or 11.3% 5.4%, in 2023 2024 as compared to 2022. 2023. The increase reflects was primarily associated with increases of approximately $30 million $8 million related to higher interest rates and $8 million related to higher average outstanding borrowings, and $20 million related as well as a decrease of $8 million in AFUDC debt primarily due to higher interest rates. Plant Barry Unit 8 being placed in service in November 2023. See FINANCIAL CONDITION AND LIQUIDITY – "Sources of Capital," Note 8 2 to the financial statements for additional information.

Other Income (Expense), Net

Other income (expense), net increased $15 million, or 10.4%, in 2023 as compared to 2022 primarily due to a decrease in non-operating benefit-related expenses under "Alabama Power – Rate CNP New Plant," and an increase in interest income, partially offset by a decrease in non-service cost-related retirement benefits income. See Note 11 8 to the financial statements for additional information.

Income Taxes

Income taxes decreased $342 million, or 80.9%, increased $279 million in 2023 2024 as compared to 2022 2023 primarily due to a $252 million increase decrease of $197 million in the flowback of certain excess deferred income taxes, and an $84 million decrease due to lower as well as higher pre-tax earnings. See Note 2 to the financial statements under "Alabama Power – Excess Accumulated Deferred Income Tax Accounting Order" and Note 10 to the financial statements for additional information.

Georgia Power

Georgia Power's 2023 2024 net income was $2.1 billion $2.5 billion, representing a $0.3 billion $0.5 billion, or 14.7% 22.3%, increase from the previous year. The increase was primarily due to lower non-fuel operations and maintenance costs, revenue reductions in 2022 as a result of Georgia Power exceeding its allowed higher retail return range, a $187 million decrease in after-tax charges related to revenues associated with the construction inclusion of Plant Vogtle Units 3 and 4 in retail rates, base tariff increases in accordance with the 2022 ARP, and an increase in other revenues, weather impacts, partially offset by a decrease $112 million increase in retail revenues associated with lower contributions from customers with variable demand-driven pricing and milder weather in 2023, as well as higher interest expense. Also contributing charges to the net income growth were the impacts of the 2022 ARP effective January 1, 2023, including increased retail rates, largely offset by higher depreciation and amortization. See Note 2 to the financial statements under "Georgia Power" for additional information. a valuation allowance on certain state tax credit carryforwards.

A condensed income statement for Georgia Power follows:

	2023 2023 2023	Increase (Decrease) from 2022	2024 2024 2024	Increase (Decrease) from 2023
	(in millions)			
Operating revenues				
Fuel				
Fuel				
Fuel				
Purchased power				
Purchased power				
Purchased power				
Other operations and maintenance				
Other operations and maintenance				
Other operations and maintenance				
Depreciation and amortization				
Depreciation and amortization				

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Depreciation and amortization
Taxes other than income taxes
Taxes other than income taxes
Taxes other than income taxes
Estimated loss on Plant Vogtle Units 3 and 4
Estimated loss on Plant Vogtle Units 3 and 4
Estimated loss on Plant Vogtle Units 3 and 4
Total operating expenses
Total operating expenses
Total operating expenses
Operating income
Operating income
Operating income
Allowance for equity funds used during construction
Allowance for equity funds used during construction
Allowance for equity funds used during construction
Interest expense, net of amounts capitalized
Interest expense, net of amounts capitalized
Interest expense, net of amounts capitalized
Other income (expense), net
Other income (expense), net
Other income (expense), net
Income taxes (benefit)
Income taxes (benefit)
Income taxes (benefit)
Net income
Net income
Net income

Operating Revenues

Operating revenues for 2023 2024 were $10.1 billion $11.3 billion, reflecting a $1.5 billion $1.2 billion, or 12.7% 12.0%, decrease increase from 2022. 2023. Details of operating revenues were as follows:

	2023	2022
	2024	**2023**
		(in millions)
Retail — prior year		
Estimated change resulting from —		
Estimated change resulting from —		
Estimated change resulting from —		
Rates and pricing		
Rates and pricing		
Rates and pricing		
Sales decline		
Sales decline		
Sales decline		
Sales growth		
Sales growth		
Sales growth		
Weather		
Weather		
Weather		

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Fuel cost recovery	
Fuel cost recovery	
Fuel cost recovery	
Retail — current year	
Retail — current year	
Retail — current year	
Wholesale revenues	
Other operating revenues	
Total operating revenues	

Retail revenues decreased $1.6 billion increased $1.0 billion, or 14.5% 10.5%, in 2023 2024 as compared to 2022. 2023. The significant factors driving this change are shown in the preceding table. The increase in rates and pricing was primarily due to the inclusion of Plant Vogtle Units 3 and 4 in retail rates net of the elimination of the NCCR tariff, base tariff increases in accordance with the 2022 ARP, and revenue reductions in 2022 resulting from Georgia Power's retail ROE exceeding the allowed retail ROE range, partially offset by lower higher contributions from commercial and industrial customers with variable demand-driven pricing and a decrease in revenues recognized under the NCCR tariff. pricing. See Note 2 to the financial statements under "Georgia Power – Rate Plans" and " – Nuclear Construction" Power" for additional information.

See "Energy Sales" below herein for a discussion of changes in the volume of energy sold, including estimated changes related to sales and weather in 2023. weather.

Electric rates include provisions to adjust billings for fluctuations in fuel costs, including the energy component of purchased power costs. Under these fuel cost recovery provisions, fuel revenues generally equal fuel expenses and do not affect net income. See Note 2 to the financial statements under "Georgia Power – Fuel Cost Recovery" for additional information.

Wholesale revenues from power sales were as follows:

	2023	2022
	2024	2023
	(in millions)	
Capacity and other		
Energy		
Total		

In 2023, 2024, wholesale revenues decreased $47 million increased $77 million, or 20.0% 41.0%, as compared to 2022 2023 largely due to an $81 million increases of $85 million related to the volume of KWH sales associated with higher market demand and $76 million related to net additional capacity from wholesale capacity contracts, partially offset by a decrease of $89 million related to the average cost per KWH sold due to lower Southern Company system fuel and purchased power costs, partially offset by a $21 million increase related to new capacity contracts and a $13 million increase related to the volume of KWH sales associated with higher market demand. prices.

Wholesale revenues from sales to non-affiliates consist of PPAs and short-term opportunity sales. Wholesale revenues from PPAs have both capacity and energy components. Wholesale capacity revenues from PPAs are recognized in amounts billable under the contract terms and provide for recovery of fixed costs and a return on investment. Wholesale revenues from sales to non-affiliates will vary depending on fuel prices, the market prices of wholesale energy compared to the cost of Georgia Power's and the Southern Company system's generation, demand for energy within the Southern Company system's electric service territory, and the availability of the Southern Company system's generation. Increases and decreases in energy revenues that are driven by fuel prices are accompanied by an increase or decrease in fuel costs and do not have a significant impact on net income. Short-term opportunity sales are made at market-based rates that generally provide a margin above Georgia Power's variable cost of energy.

Wholesale revenues from sales to affiliated companies will vary depending on demand and the availability and cost of generating resources at each company. These affiliate sales are made in accordance with the IIC, as approved by the FERC. These transactions do not have a significant impact on earnings since this energy is generally sold at marginal cost.

In 2023, 2024, other operating revenues increased $151 million $171 million, or 27.1% 24.2%, as compared to 2022 2023 primarily due to an increase increases of $105 million $76 million in unregulated sales primarily associated with power delivery construction and maintenance, outdoor lighting, and energy conservation projects, and renewables, $40 million in open access transmission tariff sales, $29 million in regulated sales primarily associated with power delivery construction and maintenance, $23 million in regulated outdoor lighting sales, $8 million in pole attachment revenues, and $8 million in solar program fees, partially offset by a net increase of $17 million $17 million in realized gains losses associated with price stability products for retail customers on variable demand-driven pricing tariffs, an increase of $17 million in retail solar program fees, and a $9 million increase in open access transmission tariff sales. tariffs.

Energy Sales

Changes in revenues are influenced heavily by the change in the volume of energy sold from year to year. KWH sales for 2023 2024 and the percent change from 2022 2023 were as follows:

	2023					2024			
Total KWHs		Total KWHs		Total KWH Percent Change	Weather-Adjusted Percent Change(*)		Total KWHs		Total KWH Percent Change	Weather-Adjusted Percent Change(*)

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	(in billions)																							
Residential																								
Residential																								
Residential		**27.6**		**(5.0)**		**(5.0)**	**%**			**(0.4)**		**%**		**29.1**		**5.4**		**5.4**	**%**			**(0.2)**		**%**
Commercial																								
Industrial																								
Other																								
Total retail	Total retail	**84.1**		**(2.1)**		**(2.1)**		**(0.1)**			**(0.1)**	**%**	Total retail	**87.2**		**3.7**		**3.7**	**%**			**1.0**		**%**
Wholesale																								
Total energy sales																								
Total energy sales																								
Total energy sales																								

(*) Weather-adjusted KWH sales are estimated using statistical models of the historical relationship between temperatures and energy sales, and then removing the estimated effect of deviations from normal temperature conditions. Normal temperature conditions are defined as those experienced in Georgia Power's service territory over a specified historical period. This metric is useful because it allows trends in historical operations to be evaluated apart from the influence of weather conditions. Management also considers this metric in developing long-term capital and financial plans.

Changes in retail energy sales are generally the result of changes in electricity usage by customers, weather, and the number of customers. Revenues attributable to changes in sales decreased increased in 2023 2024 when compared to 2022. 2023. Weather-adjusted residential sales decreased 0.4% 0.2% primarily due to decreased customer usage, largely partially offset by customer growth. Weather-adjusted commercial KWH sales increased 1.2% 2.6% primarily due to increased customer growth. Weather-adjusted industrial KWH sales decreased usage, primarily driven by existing data centers, and

1.4% customer growth. Weather-adjusted industrial KWH sales increased 0.2% primarily due to decreases in the textile, mining, and stone, clay, and glass sectors, partially offset by an increase in the paper transportation sector, largely offset by a decrease in the electronics sector.

See "Operating Revenues" above for a discussion of significant changes in wholesale sales to non-affiliates and affiliated companies.

Fuel and Purchased Power Expenses

Fuel costs constitute one of the largest expenses for Georgia Power. The mix of fuel sources for the generation of electricity is determined primarily by demand, the unit cost of fuel consumed, and the availability of generating units. Additionally, Georgia Power purchases a portion of its electricity needs from the wholesale market.

Details of Georgia Power's generation and purchased power were as follows:

	2023	**2023**	**2023**	**2024**	**2024**	**2024**
Total generation *(in billions of KWHs)*[a]						
Total generation *(in billions of KWHs)*[a]						
Total generation *(in billions of KWHs)*[a]						
Total purchased power *(in billions of KWHs)*						
Total purchased power *(in billions of KWHs)*						
Total purchased power *(in billions of KWHs)*						
Sources of generation *(percent)* —						
Sources of generation *(percent)* —						
Sources of generation *(percent)* —						
Gas						
Gas						
Gas						
Nuclear[a]						

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Nuclear[a]	
Nuclear[a]	
Coal	
Coal	
Coal	
Hydro and other	
Hydro and other	
Hydro and other	
Cost of fuel, generated *(in cents per net KWH)* —	
Cost of fuel, generated *(in cents per net KWH)* —	
Cost of fuel, generated *(in cents per net KWH)* —	
Gas	
Gas	
Gas	
Nuclear[a] [b]	
Nuclear[a] [b]	
Nuclear[a] [b]	
Coal	
Coal	
Coal	
Average cost of fuel, generated *(in cents per net KWH)*[a] [b]	
Average cost of fuel, generated *(in cents per net KWH)*[a] [b]	
Average cost of fuel, generated *(in cents per net KWH)*[a] [b]	
Average cost of purchased power *(in cents per net KWH)*[b]	
Average cost of purchased power *(in cents per net KWH)*[b]	
Average cost of purchased power *(in cents per net KWH)*[b]	
Average cost of purchased power *(in cents per net KWH)*[c]	
Average cost of purchased power *(in cents per net KWH)*[c]	
Average cost of purchased power *(in cents per net KWH)*[c]	

(a) Excludes KWHs generated from test period energy at Plant Vogtle Unit Units 3 and 4 prior to its each unit's respective in-service date. The related fuel costs are were charged to CWIP in accordance with FERC guidance. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information on Plant Vogtle Units 3 and 4.

(b) Excludes $55 million of credits recorded to nuclear fuel expense in 2024 resulting from litigation related to nuclear fuel disposal costs. See Note 3 to the financial statements under "Nuclear Fuel Disposal Costs" for additional information.

(c) Average cost of purchased power includes fuel purchased by Georgia Power for tolling agreements where power is generated by the provider.

Fuel and purchased power expenses were $3.1 billion $3.0 billion in 2023, 2024, a decrease of $1.7 billion $44 million, or 35.4% 1.4%, compared to 2022. 2023. The decrease was due to decreases a net decrease of $1.4 billion $96 million related to the average cost of fuel and purchased power and $321 million $55 million of credits recorded to nuclear fuel expense resulting from litigation related to nuclear fuel disposal costs, partially offset by an increase of $107 million related to the volume of KWHs generated and purchased. See Note 3 to the financial statements under "Nuclear Fuel Disposal Costs" for additional information.

Fuel and purchased power energy transactions do not have a significant impact on earnings since these fuel expenses are generally offset by fuel revenues through Georgia Power's fuel cost recovery mechanism. See Note 2 to the financial statements under "Georgia Power – Fuel Cost Recovery" for additional information.

Fuel

Fuel expense was $1.8 billion $1.7 billion in 2023, 2024, a decrease of $0.7 billion $123 million, or 28.4% 6.9%, compared to 2022. 2023. The decrease was primarily due to $55 million of credits recorded to nuclear fuel expense resulting from litigation related to nuclear fuel disposal costs and decreases of 39.3% 11.6% in the average cost per KWH generated by coal, 6.2% in the average cost per KWH generated by natural gas, and 8.9% 3.5% in the volume of KWHs generated by coal, natural gas, partially offset by increases of 35.7% 26.8% in the average cost per KWH volume of KWHs generated by coal, 9.3% nuclear, 17.1% in the average cost per KWH generated by nuclear, 8.5% and 6.9% in the volume of KWHs generated by nuclear, and 2.1% in the volume of KWHs generated by natural gas. coal.

Purchased Power – Non-Affiliates

Purchased power expense from non-affiliates was $517 million $615 million in 2023, a decrease 2024, an increase of $339 million $98 million, or 39.6% 19.0%, compared to 2022. 2023. The decrease increase was primarily due to a decrease an increase of 33.9% 28.8% in the volume of KWHs purchased due to lower demand as Georgia Power and the availability of lower cost generation in the other Southern Company system and units generally dispatched at a higher cost than available market resources, partially offset by a decrease of 22.3% 10.3% in the average cost per KWH purchased primarily due to lower natural gas prices.

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Energy purchases from non-affiliates will vary depending on the market prices of wholesale energy as compared to the cost of the Southern Company system's generation, demand for energy within the Southern Company system's electric service territory, and the availability of the Southern Company system's generation.

Purchased Power – Affiliates

Purchased power expense from affiliates was $764 million $745 million in 2023, 2024, a decrease of $637 million $19 million, or 45.5% 2.5%, compared to 2022. 2023. The decrease was primarily due to a decrease of 49.1% 6.3% in the volume of KWHs purchased as Southern Company system units generally dispatched at a higher cost than available market resources, partially offset by capacity purchased through a new PPA with Mississippi Power and an increase of 3.8% in the average cost per KWH purchased primarily due to lower natural gas prices. purchased.

Energy purchases from affiliates will vary depending on the demand and the availability and cost of generating resources at each company within the Southern Company system. These purchases are made in accordance with the IIC or other contractual agreements, all as approved by the FERC.

Other Operations and Maintenance Expenses

Other operations and maintenance expenses decreased $266 million increased $289 million, or 11.3% 13.9%, in 2023 2024 as compared to 2022. 2023. The decrease increase was primarily due to decreases increases of $182 million in storm damage recovery as authorized in the 2022 ARP, $178 million $167 million in transmission and distribution expenses costs primarily associated with line maintenance $74 million and billing adjustments with integrated transmission system owners, $126 million in generation non-outage maintenance expenses largely resulting from Plant Vogtle Units 3 and $28 million 4 being placed in certain employee compensation service in July 2023 and benefit expenses. These decreases were partially offset by increases of $60 million from April 2024, respectively, $40 million in expenses associated with unregulated power delivery construction and maintenance contracts, and energy conservation projects, $59 million $27 million in generation environmental projects, $55 million customer service and sales costs primarily associated with bad debt expense. Partially offsetting the increase was an increase of $91 million in technology infrastructure and application production costs, and $28 million in planned generation outages. gains from sales of integrated transmission system assets. See Note 2 to the financial statements under "Georgia Power – Storm Damage Recovery" Transmission Asset Sales" and " – Nuclear Construction" for additional information.

Depreciation and Amortization

Depreciation and amortization increased $251 million $93 million, or 17.6% 5.5%, in 2023 2024 as compared to 2022 2023 primarily due to increases an increase of $190 million resulting from higher depreciation rates as authorized in the 2022 ARP and $75 million $173 million associated with additional plant in service, partially offset by a decrease of $15 million $59 million in amortization of regulatory assets related to CCR AROs as approved in the retirement 2024 compliance filing under the terms of certain generating units that ended the 2022 ARP and an increase of $24 million in 2022. amortization of federal ITCs. See Note 2 to the financial statements under "Georgia Power – Rate Plans" for additional information. Also see Note 10 to the financial statements for additional information on amortization of federal ITCs.

Taxes Other Than Income Taxes

Taxes other than income taxes increased $14 million $106 million, or 2.7% 19.6%, in 2023 2024 as compared to 2022 2023 primarily due to an increase of $56 million $53 million in property taxes primarily resulting from an increase in the assessed value of property, largely offset by a decrease of $40 million $30 million in property taxes capitalized primarily due to Plant Vogtle Units 3 and 4 being placed in service in July 2023 and April 2024, respectively, and an increase of $23 million in municipal franchise fees resulting from lower higher retail revenues. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information on Plant Vogtle Units 3 and 4.

Estimated Loss on Plant Vogtle Units 3 and 4

Georgia Power recorded pre-tax charges (credits) credits to income for related to the estimated probable loss on Plant Vogtle Units 3 and 4 totaling $(68) million $21 million and $183 million $68 million in 2023 2024 and 2022, 2023, respectively. The charges (credits) credits to income in each year were recorded to reflect reflected revisions to the total project capital cost forecast to complete for the construction and start-up completion of Plant Vogtle Units 3 and 4 and the related cost recovery. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information.

Allowance for Equity Funds Used During Construction

Allowance for equity funds used during construction increased $25 million decreased $13 million, or 17.9% 7.9%, in 2023 2024 as compared to 2022 2023 primarily due to Plant Vogtle Units 3 and 4 being placed in service in July 2023 and April 2024, respectively, partially offset by an increase in capital expenditures subject to AFUDC. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information.

Interest Expense, Net of Amounts Capitalized

Interest expense, net of amounts capitalized increased $141 million $99 million, or 29.1% 15.8%, in 2023 2024 as compared to 2022. 2023. The increase was primarily reflects associated with increases of approximately $78 million related to higher interest rates and $76 million $36 million related to higher average outstanding borrowings partially offset by the deferral and $30 million related to higher interest rates, as well as a decrease of $14 million $31 million in financing costs AFUDC debt primarily related to Plant Vogtle Unit 3. Units 3 and 4. See FINANCIAL CONDITION AND LIQUIDITY – "Sources of Capital" and "Financing Activities" herein, and Note 8 to the financial statements for additional information. Also see Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information on Plant Vogtle Units 3 and 4.

Other Income (Expense), Net

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Other income (expense), net decreased $6 million, or 3.4%, in 2023 as compared to 2022 primarily due to decreases in non-service cost-related retirement benefits income and customer charges related to contributions in aid of construction, partially offset by a decrease in charitable donations. See Note 11 to the financial statements for additional information on Georgia Power's net periodic pension and other postretirement benefit costs.

Income Taxes (Benefit)

Income taxes increased $78 million, or 21.1%, in 2023 as compared to 2022 primarily due to the flowback of $145 million of certain excess deferred income taxes that ended in 2022 and higher pre-tax earnings largely resulting from lower charges associated with the construction of Plant Vogtle Units 3 and 4, partially offset by an $85 million decrease in charges to a valuation allowance on certain state tax credit carryforwards, generation of $35 million of advanced nuclear PTCs, and a $32 million adjustment in 2022 related to a prior year state tax credit carryforward. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" and Note 10to the financial statements for additional information.

Mississippi Power

Mississippi Power's net income was $188 million in 2023 compared to $164 million in 2022. The increase was primarily due to an increase in affiliate wholesale capacity revenues, changes in power supply agreements, and a decrease in non-fuel operations and maintenance expenses, partially offset by an increase in interest expense.

A condensed income statement for Mississippi Power follows:

	2023	Increase (Decrease) from 2022
	(in millions)	
Operating revenues	$ 1,474	$ (220)
Fuel and purchased power	538	(251)
Other operations and maintenance	362	(14)
Depreciation and amortization	190	9
Taxes other than income taxes	124	—
Total operating expenses	1,214	(256)
Operating income	260	36
Interest expense, net of amounts capitalized	71	15
Other income (expense), net	35	2
Income taxes	36	(1)
Net income	$ 188	$ 24

Operating Revenues

Operating revenues for 2023 were $1.5 billion, reflecting a $220 million, or 13.0%, decrease from 2022. Details of operating revenues were as follows:

	2023	2022
	(in millions)	
Retail — prior year	$ 935	
Estimated change resulting from —		
Rates and pricing	(11)	
Sales growth	11	
Weather	(4)	
Fuel and other cost recovery	32	
Retail — current year	$ 963	$ 935
Wholesale revenues —		
Non-affiliates	272	252
Affiliates	200	460
Total wholesale revenues	472	712
Other operating revenues	39	47
Total operating revenues	$ 1,474	$ 1,694

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COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Total retail the financial statements under "Georgia Power – Nuclear Construction," and Note 8 to the financial statements for additional information.

Income Taxes

Income taxes increased $155 million, or 34.6%, in 2024 as compared to 2023 primarily due to higher pre-tax earnings and a $112 million increase in charges to a valuation allowance on certain state tax credit carryforwards, partially offset by an increase of $79 million in the generation of advanced nuclear PTCs and $26 million from the recognition of certain state tax positions from amended returns. See Note 10to the financial statements for additional information.

Mississippi Power

Mississippi Power's net income was $199 million in 2024 compared to $188 million in 2023. The increase was primarily due to increases in affiliate wholesale capacity revenues, partially offset by increases in income taxes and non-fuel operations and maintenance expenses.

A condensed income statement for Mississippi Power follows:

	2024	Increase (Decrease) from 2023
	(in millions)	
Operating revenues	$ 1,463	$ (11)
Fuel and purchased power	477	(61)
Other operations and maintenance	370	8
Depreciation and amortization	193	3
Taxes other than income taxes	127	3
Total operating expenses	1,167	(47)
Operating income	296	36
Interest expense, net of amounts capitalized	77	6
Other income (expense), net	27	(8)
Income taxes	47	11
Net income	$ 199	$ 11

Operating Revenues

Operating revenues for 2023 2024 were increased $28 million$1.5 billion, reflecting an $11 million, or 3.0%0.7%, decrease from 2023. Details of operating revenues were as follows:

	2024	2023
	(in millions)	
Retail — prior year	$ 963	
Estimated change resulting from —		
Rates and pricing	11	
Sales growth	2	
Weather	7	
Fuel and other cost recovery	(18)	
Retail — current year	$ 965	$ 963
Wholesale revenues —		
Non-affiliates	228	272
Affiliates	218	200
Total wholesale revenues	446	472
Other operating revenues	52	39
Total operating revenues	$ 1,463	$ 1,474

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COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Retail revenues for 2024increased $2 million, or 0.2%, compared to 2022 2023. The significant factors driving this change are shown in the preceding table. The increase in rates and pricing was primarily due to certain regulatory assets that fully amortized in December 2023 and higher recoverable fuel costs and an increase ECO Plan rates that became effective in customer usage, partially offset by lower contributions from commercial and industrial customers with variable demand-driven pricing and lower revenues associated with a tolling arrangement accounted for as a sales-type lease. June 2024. See Notes Note 2 and 9 to the financial statements under "Mississippi Power" and "Lessor," respectively, Power – Environmental Compliance Overview Plan" for additional information.

See "Energy Sales" below herein for a discussion of changes in the volume of energy sold, including estimated changes related to sales and weather.

Electric rates for Mississippi Power include provisions to adjust billings for fluctuations in fuel costs, including the energy component of purchased power costs. Under these provisions, fuel revenues generally equal fuel expenses, including the energy component of purchased power costs, and do not affect net income. Recoverable fuel costs include fuel and purchased power expenses reduced by the fuel and emissions portion of wholesale revenues from energy sold to customers outside Mississippi Power's service territory. See Note 2 to the financial statements under "Mississippi Power – Fuel Cost Recovery" for additional information.

Wholesale revenues from power sales to non-affiliated utilities, including FERC-regulated MRA sales as well as market-based sales, were as follows:

	2023	2022
	2024	2023
		(in millions)
Capacity and other		
Energy		
Total non-affiliated		

Wholesale revenues from sales to non-affiliates increased $20 million decreased $44 million, or 7.9% 16.2%, in 2024 as compared to 2022. 2023. The increasedecrease was largely due to decreases of $35 million associated with power supply agreements mainly due to agreements that ended in 2023 and $10 million associated with MRA customers primarily due to capacity revenues associated with new capacity contracts lower recoverable fuel costs and customer usage, partially offset by an increase in 2023. demand as a result of weather impacts.

Wholesale revenues from sales to non-affiliates will vary depending on fuel prices, the market prices of wholesale energy compared to the cost of Mississippi Power's and the Southern Company system's generation, demand for energy within the Southern Company system's electric service territory, and the availability of the Southern Company system's generation. Increases and decreases in energy revenues that are driven by fuel prices are accompanied by an increase or decrease in fuel costs and do not have a significant impact on net income. In addition, Mississippi Power provides service under long-term contracts with rural electric cooperative associations and a municipality located in southeastern Mississippi under requirements cost-based electric tariffs which are subject to regulation by the FERC. The contracts with these wholesale customers represented 13.9%14.0% of Mississippi Power's total operating revenues in 2023 2024. Short-term opportunity energy sales are also included in sales for resale to non-affiliates. These opportunity sales are made at market-based rates that generally provide a margin above Mississippi Power's variable cost to produce the energy. See Note 2 under "Mississippi Power – Municipal and Rural Associations Tariff" for additional information.

Wholesale revenues from sales to affiliates decreased $260 million increased $18 million, or 56.5% 9.0%, in 2023 2024 compared to 2022. 2023. The decreaseincrease was primarily due to a $293 million decrease an increase of $60 million in capacity revenues primarily associated with lower a new PPA with Georgia Power and $4 million related to the price of energy driven by natural gas prices, prices. This increase was partially offset by a $23 million increase decreases of $31 million in capacity revenues resulting from mainly associated with Mississippi Power's lower availability of generation reserves to the Southern Company power pool and an increase in pricing and a $10 million increase associated with higher $15 million primarily related to the volume of KWH sales. See Note 2 to the financial statements under "Mississippi Power – Integrated Resource Plans" for additional information.

Wholesale revenues from sales to affiliates will vary depending on demand and the availability and cost of generating resources at each company. These affiliate sales are made in accordance with the IIC or other contractual agreements, as approved by the FERC. The energy portion of these transactions does not have a significant impact on earnings since this energy is generally sold at marginal cost.

In 2023, 2024, other operating revenues decreased $8 million increased $13 million, or 17.0% 33.3%, as compared to 2022 2023 primarily due to decreases of $5 million in unregulated sales associated with power delivery construction and maintenance projects and $3 million an increase in open access transmission tariff revenues.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Energy Sales

Changes in revenues are influenced heavily by the change in the volume of energy sold from year to year. KWH sales for 2023 2024 and the percent change from 2022 2023 were as follows:

	2023	2024

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	Total KWHs		Total KWHs		Total KWH Percent Change		Weather-Adjusted Percent Change(*)		Total KWHs		Total KWH Percent Change		Weather-Adjusted Percent Change(*)
	(in millions)												
Residential													
Residential													
Residential		**2,092**	**(1.9)**	**(1.9)**	**%**	**0.7**	**%**	**2,097**	**0.3**		**0.3**	**%**	**(2.4)**	**%**
Commercial													
Industrial													
Other													
Total retail	Total retail	**9,656**	**1.8**	**1.8**	**%**	**2.5**	**%**	Total retail	**9,780**	**1.3**		**1.3**	**%**	**0.4**	**%**
Wholesale													
Non-affiliated													
Non-affiliated													
Non-affiliated													
Affiliated													
Affiliated													
Affiliated													
Total wholesale													
Total wholesale													
Total wholesale													
Total energy sales													
Total energy sales													
Total energy sales													

(*) Weather-adjusted KWH sales are estimated using statistical models of the historical relationship between temperatures and energy sales, and then removing the estimated effect of deviations from normal temperature conditions. Normal temperature conditions are defined as those experienced in Mississippi Power's service territory over a specified historical period. This metric is useful because it allows trends in historical operations to be evaluated apart from the influence of weather conditions. Management also considers this metric in developing long-term capital and financial plans.

Changes in retail energy sales are generally the result of changes in electricity usage by customers, weather, and the number of customers. Revenues attributable to changes in sales increased in 2023 2024 when compared to 2022. 2023. Weather-adjusted residential KWH sales increased 0.7% decreased 2.4% primarily due to an increase in decreased customer usage. Weather-adjusted commercial KWH sales increased 7.1% 2.8% primarily due to increased customer growth. usage. Industrial KWH sales increased 0.7% 0.3% primarily due to an increase in the non-manufacturing sector, partially offset by a decrease in the chemicals sector.

See "Operating Revenues" above for a discussion of significant changes in wholesale revenues to affiliated companies.

Fuel and Purchased Power Expenses

The mix of fuel sources for generation of electricity is determined primarily by demand, the unit cost of fuel consumed, and the availability of generating units. Additionally, Mississippi Power purchases a portion of its electricity needs from the wholesale market.

Details of Mississippi Power's generation and purchased power were as follows:

	2023	2022
	2024	2023
Total generation *(in millions of KWHs)*		
Total purchased power *(in millions of KWHs)*		
Sources of generation *(percent)* –		
Sources of generation *(percent)* —		
Gas		
Gas		
Gas		
Coal		
Cost of fuel, generated *(in cents per net KWH)* –		
Cost of fuel, generated *(in cents per net KWH)* —		
Gas		
Gas		
Gas		

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Coal	
Average cost of fuel, generated *(in cents per net KWH)*	
Average cost of purchased power *(in cents per net KWH)*	

Fuel and purchased power expenses were $538 million $477 million in 2023, 2024, a decrease of $251 million $61 million, or 31.8%11.3%, as compared to 2022. 2023. The decrease was primarily due to a $266 million $45 million net decrease related to the average cost of fuel and purchased power partially offset by and a $15 million $16 million net increase decrease related to the volume of KWHs generated and purchased.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Fuel and purchased power energy transactions do not have a significant impact on earnings since energy expenses are generally offset by energy revenues through Mississippi Power's fuel cost recovery clauses. See Note 2 to the financial statements under "Mississippi Power – Fuel Cost Recovery" and Note 1 to the financial statements under "Fuel Costs" for additional information.

Fuel expense decreased $230 million $75 million, or 30.8% 14.5%, in 2023 2024 as compared to 2022 2023 primarily due to a 38.2% 10.8% decrease in the average cost of natural gas per KWH generated and a 20.3% 7.1% decrease in the volume of KWHs generated by coal, partially offset by a 32.2% increase in the average cost of coal per KWHs generated and a 5.4% increase in the volume of KWHs generated by natural gas.

Purchased power expense decreased $21 million increased $14 million, or 49.9%63.6%, in 2023 2024 as compared to 2022 2023 primarily due to a 38.2% decrease 56.7% increase in the volume of KWHs purchased and a 3.0% increase in the average cost per KWH purchased primarily due to lower natural gas prices and a 15.1% decrease in the volume of KWHs purchased primarily due to the availability of lower cost generation in the Southern Company system.purchased.

Energy purchases will vary depending on the market prices of wholesale energy as compared to the cost of the Southern Company system's generation, demand for energy within the Southern Company system's service territory, and the availability of the Southern Company system's generation. These purchases are made in accordance with the IIC or other contractual agreements, as approved by the FERC.

Other Operations and Maintenance Expenses

Other operations and maintenance expenses decreased $14 million increased $8 million, or 3.7% 2.2%, in 2023 2024 as compared to 2022. 2023. The decreaseincrease was primarily due to decreases increases of $14 million $10 million in reliability reserve accruals, $7 million $6 million in generation expenses primarily associated with non-outage costs, and $6 million $4 million in unregulated power delivery construction certain compensation and maintenance projects, benefits expenses. These increases were partially offset by increases decreases of $5 million $12 million associated with previously deferred Plant Ratcliffe expenses that fully amortized in storm reserve accruals December 2023 and $2 million $4 million associated with the Kemper County energy facility largely due to a decrease in certain employee compensation dismantlement costs in 2024 when compared to 2023. See Notes 2 and benefit expenses. See Note 2 3 to the financial statements under "Mississippi Power – System Restoration Rider" and " – Reliability Reserve Accounting Order" Order" and "Other Matters – Mississippi Power," respectively, for additional information.

Depreciation and Amortization

Depreciation and amortization increased $9 million, or 5.0%, in 2023 compared to 2022 primarily due to an increase in depreciation associated with additional plant in service.

Interest Expense, Net of Amounts Capitalized

Interest expense, net of amounts capitalized increased $15 million $6 million, or 26.8% 8.5%, in 2023 2024 as compared to 2022. 2023. The increase was was primarily due to increases of approximately $10 million related to higher interest rates and $5 million $4 million related to higher average outstanding borrowings. borrowings and $2 million related to higher interest rates. See FINANCIAL CONDITION AND LIQUIDITY – "Sources of Capital" and "Financing Activities" herein and Note 8 to the financial statements for additional information.

Other Income (Expense), Net

Other income (expense), net decreased $8 million, or 22.9%, in 2024 as compared to 2023 primarily due to an increase of $13 million in charitable donations, partially offset by an increase of $3 million in customer charges related to contributions in aid of construction.

Income Taxes

Income taxes decreased $1 millionincreased $11 million, or 2.7% 30.6%, in 2023 2024 as compared to 2022 2023 primarily due to a decrease of $7 million associated with $6 million in the flowback of certain excess deferred income taxes associated with new PEP rates that became effective in April 2023, largely offset by an increase of $6 million associated with and higher pre-tax earnings. See Note 2 to the financial statements under "Mississippi Power – Performance Evaluation Plan" and Note 10 to the financial statements for additional information.

Southern Power

Net income attributable to Southern Power for 2024 was $328 million, a $29 million decrease from 2023. The decrease was primarily related to increases in scheduled outage and maintenance expenses, a prior year receipt of an arbitration award for losses previously incurred, and a prior year gain on the sale of spare parts, partially offset by an increase in PPA capacity revenues related to new natural gas PPAs and higher HLBV income associated with tax equity partnerships.

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COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Southern Power

Net income attributable to Southern Power for 2023 was $357 million, a $3 million increase from 2022. The increase was primarily due to higher HLBV income associated with tax equity partnerships, an arbitration award received for losses previously incurred, a gain on the sale of spare parts, and receipts of liquidated damages and insurance proceeds related to generation facility production and equipment, as well as changes in state apportionment methodology related to tax legislation enacted by the State of Tennessee. These increases were largely offset by lower revenues driven by lower market prices of energy.

A condensed statement of income follows:

	2023	Increase (Decrease) from 2022
	2024	Increase (Decrease) from 2023
	(in millions)	
Operating revenues		
Fuel		
Purchased power		
Other operations and maintenance		
Depreciation and amortization		
Taxes other than income taxes		
Loss on sales-type leases		
Gain on dispositions, net		
Gain on dispositions, net		
Gain on dispositions, net		
Total operating expenses		
Operating income		
Interest expense, net of amounts capitalized		
Other income (expense), net		
Income taxes (benefit)		
Net income		
Net loss attributable to noncontrolling interests		
Net income attributable to Southern Power		

Operating Revenues

Total operating revenues include PPA capacity revenues, which are derived primarily from long-term contracts involving natural gas facilities, and PPA energy revenues from Southern Power's generation facilities. To the extent Southern Power has capacity not contracted under a PPA, it may sell power into an accessible wholesale market, or, to the extent those generation assets are part of the FERC-approved IIC, it may sell power into the Southern Company power pool.

Natural Gas Capacity and Energy Revenue

Capacity revenues generally represent the greatest contribution to operating income and are designed to provide recovery of fixed costs plus a return on investment.

Energy is generally sold at variable cost or is indexed to published natural gas indices. Energy revenues will vary depending on the energy demand of Southern Power's customers and their generation capacity, as well as the market prices of wholesale energy compared to the cost of Southern Power's energy. Energy revenues also include fees for support services, fuel storage, and unit start charges. Increases and decreases in energy revenues under PPAs that are driven by fuel or purchased power prices are generally accompanied by an increase or decrease in fuel and purchased power costs and do not have a significant impact on net income.

Solar and Wind Energy Revenue

Southern Power's energy sales from solar and wind generating facilities are predominantly through long-term PPAs that do not have capacity revenue. Customers either purchase the energy output of a dedicated renewable facility through an energy charge or pay a fixed price related to the energy generated from the respective facility and sold to the grid. As a result, Southern Power's ability to recover fixed and variable operations and maintenance expenses is dependent upon the level of energy generated from these facilities, which can be impacted by weather conditions, equipment performance, transmission constraints, and other factors.

See FUTURE EARNINGS POTENTIAL – "Southern Power's Power Sales Agreements" herein for additional information regarding Southern Power's PPAs.

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COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

See FUTURE EARNINGS POTENTIAL – "Southern Power's Power Sales Agreements" herein for additional information regarding Southern Power's PPAs.

Operating Revenues Details

Details of Southern Power's operating revenues were as follows:

	2023	2022
	2024	2023
		(in millions)
PPA capacity revenues		
PPA energy revenues		
Total PPA revenues		
Non-PPA revenues		
Other revenues		
Total operating revenues		

Operating revenues for 2023 2024 were $2.2 billion $2.0 billion, a $1.2 billion $175 million, or 35.0% 8.0%, decrease from 2022. 2023. The change in operating revenues was primarily due to the following:

- PPA capacity revenues increased $20 million $26 million, or 4.4% 5.5%, primarily due to a net increase in MW capacity under contract from natural gas PPAs and an increase associated with a change in rates from new and existing natural gas PPAs.
- PPA energy revenues decreased $894 million increased $1 million, or 42.1% 0.1%, primarily due to a $904 million decrease in sales an increase of $33 million related to the volume of KWHs sold primarily under natural gas and solar PPAs, resulting from largely offset by a $726 million decrease in the price of $32 million driven by fuel and purchased power and a $178 million decrease in the volume of KWHs sold. prices.
- Non-PPA revenues decreased $325 million $184 million, or 42.7% 42.2%, primarily due to a $650 million decrease in the market price of energy, partially offset by a $321 million increase in $176 million related to the volume of KWHs sold through short-term sales.
- Other revenues increased $19 million decreased $18 million, or 52.8% 32.7%, primarily due to a prior year receipt of an arbitration award for losses previously incurred and decreases in receipts of liquidated damages associated with generation facility production guarantees, an arbitration award received for losses previously incurred, and business interruption insurance proceeds for damaged generation equipment. See Note 3 to the financial statements under "General Litigation Matters – Southern Power" for additional information. guarantees.

Fuel and Purchased Power Expenses

Details of Southern Power's generation and purchased power were as follows:

	Total KWHs	Total KWHs	Total KWHs
	2023	2023	2023
	2024	2024	2024
	(in billions of KWHs)	*(in billions of KWHs)*	*(in billions of KWHs)*
Generation			
Purchased power			
Purchased power			
Purchased power			
Total generation and purchased power			
Total generation and purchased power			

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Total generation and purchased power
Total generation and purchased power (excluding solar, wind, fuel cells, and tolling agreements)
Total generation and purchased power (excluding solar, wind, fuel cells, and tolling agreements)
Total generation and purchased power (excluding solar, wind, fuel cells, and tolling agreements)

Southern Power's PPAs for natural gas generation generally provide that the purchasers are responsible for either procuring the fuel (tolling agreements) or reimbursing Southern Power for substantially all of the cost of fuel relating to the energy delivered under such PPAs. Consequently, changes in such fuel costs are generally accompanied by a corresponding change in related fuel revenues and do not have a significant impact on net income. Southern Power is responsible for the cost of fuel for generating units that are not covered under PPAs. Power from these generating units is sold into the wholesale market or into the Southern Company power pool for capacity owned directly by Southern Power.

Purchased power expenses will vary depending on demand, availability, and the cost of generating resources throughout the Southern Company system and other contract resources. Load requirements are submitted to the Southern Company power pool on an hourly basis and are fulfilled with the lowest cost alternative, whether that is generation owned by Southern Power, an affiliate company, or external parties. Such purchased power costs are generally recovered through PPA revenues.

Details of Southern Power's fuel and purchased power expenses were as follows:

	2023	2022
	(in millions)	
Fuel	**$ 706**	$ 1,614
Purchased power	**116**	311
Total fuel and purchased power expenses	**$ 822**	$ 1,925

	2024	2023
	(in millions)	
Fuel	**$ 579**	$ 706
Purchased power	**78**	116
Total fuel and purchased power expenses	**$ 657**	$ 822

In 2023, total Total fuel and purchased power expenses decreased $1.1 billion $165 million, or 57.3% 20.1%, in 2024 as compared to 2022. 2023. Fuel expense decreased $908 million $127 million, or 56.3% 18.0%, primarily due to a $1.0 billion $96 million decrease related to the volume of KWHs generated and a $31 million decrease associated with the average cost of fuel. Purchased power expense decreased $195 million $38 million, or 62.7% 32.8%, primarily due to a $206 million $32 million decrease associated with the average cost volume of purchased power. KWHs purchased.

Other Operations and Maintenance Expenses

Other operations and maintenance expenses increased $43 million, or 9.1%, in 2024 as compared to 2023. The increase was primarily due to an increase of $32 million in scheduled outage and generation maintenance expenses and $11 million associated with an arbitration award received in 2023 related to losses previously incurred.

Depreciation and Amortization

Depreciation and amortization increased $18 million, or 3.6%, in 2024 as compared to 2023 primarily due to a $9 million increase associated with the retirement of assets and $9 million in accelerated depreciation related to the repowering of the Kay Wind facility. See Note 15 to the financial statements under "Southern Power – Development Projects" for additional information.

Gain on Dispositions, Net

In 2023, gain Gain on dispositions, net increased $18 million decreased $20 million in 2024 as compared to 2022 2023 primarily due to a $16 million gain on the sale of spare parts in 2023.

Interest Expense, Net of Amounts Capitalized Income Taxes (Benefit)

In 2023, interest expense, net of amounts capitalized decreased $9 million, or 6.5%, 2024, income tax benefit was $13 million compared to 2022. income tax expense of $12 million for 2023, a change of $25 million. The decrease change was primarily due to lower average outstanding borrowings.

Income Taxes (Benefit)

In 2023, income taxes decreased $8 million, or 40.0%, compared to 2022. The decrease was primarily due to a change in state apportionment methodology resulting from tax legislation enacted by the State of Tennessee in the second quarter 2023. pre-tax earnings and higher wind and solar PTCs. See Notes 1 and 10 to the financial statements under "Income Taxes" and "Effective Tax Rate," respectively, for additional information.

Net Loss Attributable to Noncontrolling Interests

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In 2023, net Net loss attributable to noncontrolling interests increased $20 million $14 million, or 18.7% 11.0%, in 2024 as compared to 2022. 2023. The increased loss was primarily due to $25 million $23 million in higher HLBV loss allocations to wind tax equity partners and $5 million in lower income allocations to equity partners, partially offset by $10 million $12 million in lower HLBV loss higher income allocations to battery energy storage equity partners.

Southern Company Gas

Southern Company Gas measures weather and the effect on its business using Heating Degree Days. Generally, increased Heating Degree Days result in higher demand for natural gas on Southern Company Gas' distribution system. Southern Company Gas has various regulatory mechanisms, such as weather and revenue normalization and straight-fixed-variable rate design, which limit its exposure to weather changes within typical ranges in each of its utility's respective service territory. Southern Company Gas also utilizes weather hedges to limit the negative income impacts in the event of warmer-than-normal weather in Illinois for gas distribution operations and in Illinois and Georgia for gas marketing services. Therefore, weather typically does not have a significant net income impact.

During the Heating Season, natural gas usage and operating revenues are generally higher as more customers are connected to the gas distribution systems and natural gas usage is higher in periods of colder weather. Southern Company Gas' base operating expenses, excluding cost of natural gas and bad debt expense, are incurred relatively evenly throughout the year. Seasonality also affects the comparison of certain balance sheet items across quarters, including receivables, unbilled revenues, natural gas for sale, and notes payable. However, these items are comparable when reviewing Southern Company Gas' annual results. Thus, Southern Company Gas' operating results can vary significantly from quarter to quarter as a result of seasonality, which is illustrated in the table below.

	Percent Generated During Heating Season	
	Operating Revenues	Net Income
2023	**67 %**	**73 %**
2022	67 %	66 %

operating results can vary significantly from quarter to quarter as a result of seasonality. The impact of Heating Season on Southern Company Gas' annual results is illustrated in the table below.

	Percent Generated During Heating Season	
	Operating Revenues	**Net Income**
2024	**62 %**	**80 %**
2023	67 %	73 %

Net Income

Net income attributable to Southern Company Gas in 2023 2024 was $615 million $740 million, an increase of $43 million $125 million, or 7.5% 20.3%, compared to 2022. Net income increased primarily as a result of an impairment charge in 2022 related to the sale of natural gas storage facilities. 2023. The increase in net income was partially offset by primarily due to a decrease of $29 million $109 million increase in net income at gas distribution operations primarily as a result of reduced revenue due to lower volumes sold, regulatory disallowances at Nicor Gas, and higher depreciation related to continued investment in infrastructure replacement programs, partially offset by lower cost of gas, and a $9 million decrease an $11 million increase in net income at gas pipeline investments primarily as a result of higher expenses at SNG. marketing services.

A condensed income statement for Southern Company Gas follows:

	2023		
	2023		
	2023	**Increase (Decrease) from 2022**	
	2024		
	2024		
	2024	**Increase (Decrease) from 2023**	
	(in millions)		
Operating revenues			
Cost of natural gas			
Other operations and maintenance			
Depreciation and amortization			
Taxes other than income taxes			
Impairment charges			

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Estimated loss on regulatory disallowance
Gain on dispositions, net
Estimated loss on regulatory disallowance
Estimated loss on regulatory disallowance
Total operating expenses
Total operating expenses
Total operating expenses
Operating income
Earnings from equity method investments
Interest expense, net of amounts capitalized
Other income (expense), net
Earnings before income taxes
Income taxes
Net Income

Operating Revenues

Operating revenues in 2023 2024 were $4.7 billion $4.5 billion, reflecting a $1.3 billion $246 million, or 21.1% 5.2%, decrease compared to 2022. 2023. Details of operating revenues were as follows:

		2023 2024
		(in millions)
Operating revenues – — prior year	$	5,962 4,702
Estimated change resulting from – —		
Infrastructure replacement programs and base rate Rate changes		194 243
Gas costs and other cost recovery		(1,323) (407)
Gas marketing services		(93) (30)
Other		(38) (52)
Operating revenues – — current year	$	4,702 4,456

Revenues increased from infrastructure replacement programs and base rate changes increased in 2023 2024 primarily due to base rate increases at the natural gas distribution utilities and continued investment in infrastructure replacement, partially offset by lower volumes sold and regulatory disallowances at Nicor Gas. utilities. See Note 2 to the financial statements under "Southern Company Gas" Gas – Rate Proceedings" for additional information.

Revenues associated with gas costs and other cost recovery decreased in 2023 primarily due to lower natural gas cost recovery associated with lower natural gas prices, the timing of natural gas purchases, and the recovery of those costs from customers. The natural gas distribution utilities have weather or revenue normalization mechanisms that mitigate revenue fluctuations from

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenues associated with gas costs and other cost recovery decreased in 2024 primarily due to lower natural gas cost recovery associated with lower natural gas prices and lower demand associated with warmer weather. The natural gas distribution utilities have weather or revenue normalization mechanisms that mitigate revenue fluctuations from customer consumption changes. Natural gas distribution rates include provisions to adjust billings for fluctuations in natural gas costs. Therefore, gas costs recovered through natural gas revenues generally equal the amount expensed in cost of natural gas and do not affect net income from gas distribution operations. See "Cost of Natural Gas" herein for additional information.

Revenues from gas marketing services decreased in 2023 2024 primarily due to lower natural gas prices and the timing of unrealized hedge losses. commodity prices.

Customer Count

The number of customers served by gas distribution operations and gas marketing services can be impacted by natural gas prices, economic conditions, and competition from alternative fuels. Gas distribution operations' and gas marketing services' customers are primarily located in Georgia and Illinois.

The following table provides the number of customers served by Southern Company Gas at December 31, 2023 December 31, 2024 and 2022: 2023:

	2023	2022
	(in thousands, except market share %)	
	2024	2023

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| | | |

Other																
Other																
Other																
Interruptible large commercial and industrial																
Total	Total	**66**	67	67	**(1.5)**	**(1.5) %**	Total	**71**	66		66	**7.6**		**7.6**	**%**	

Other Operations and Maintenance Expenses

In 2023, other Other operations and maintenance expenses increased $18 million $48 million, or 1.5% 4.0%, in 2024 as compared to 2022. 2023. The increase was primarily due to increases of $70 million $56 million in compensation and benefits benefit expenses and $20 million in survey, locate, and inspection expenses for distribution gas mains. These increases were partially offset by decreases of $12 million related to energy service services contracts partially offset by a decrease of $60 million and $9 million in expenses passed through to customers primarily related to bad debt and energy efficiency programs at gas distribution operations. See Note 2 to the financial statements under "Southern Company Gas" for additional information.

Depreciation and Amortization

In 2023, depreciation Depreciation and amortization increased $23 million $68 million, or 4.1% 11.7%, in 2024 as compared to 2022. 2023. The increase was primarily due to continued infrastructure investments at the natural gas distribution utilities. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects" for additional information.

Taxes Other Than Income Taxes

In 2023, taxes other than income taxes decreased $20 million, or 7.1%, compared to 2022. The decrease was primarily due to a $29 million decrease in revenue taxes, partially offset by increases in payroll and property taxes.

Impairment Charges

In 2022, Southern Company Gas recorded pre-tax impairment charges totaling approximately $131 million ($99 million after tax) as a result of an agreement to sell two natural gas storage facilities. See Note 15 to the financial statements under "Southern Company Gas" for additional information.

Estimated Loss on Regulatory Disallowance

In 2023, Southern Company Gas recorded pre-tax $88 million in charges related to the disallowance disallowances of certain capital investments at Nicor Gas, $88 million of which was recorded in estimated loss on regulatory disallowance. Gas. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects – Nicor Gas" for additional information.

Interest Expense, Net of Amounts Capitalized

In 2023, interest Interest expense, net of amounts capitalized increased $47 million $31 million, or 17.9% 10.0%, in 2024 as compared to 2022. 2023. The increase reflects $43 million related to higher interest rates and $8 million approximately $17 million related to higher average outstanding borrowings. borrowings and $14 million related to higher interest rates. See FINANCIAL CONDITION AND LIQUIDITY – "Sources of Capital" and "Financing Activities" herein and Note 8 to the financial statements for additional information.

Income Taxes

In 2023, income Income taxes increased $31 million $47 million, or 17.2% 22.3%, in 2024 as compared to 2022. 2023. The increase was primarily due to $33 million of tax benefit in 2022 related higher pre-tax earnings. See Note 10 to the impairment charges associated with the sale of two natural gas storage facilities and higher taxes financial statements for additional information.

related to increased earnings, partially offset by approximately $24 million related to the regulatory disallowances at Nicor Gas. See Notes 2 and 15 to the financial statements under "Southern Company Gas" and Note 10 to the financial statements for additional information.

Segment Information

	2023				2022							
	2024				2023							
	Operating Revenues	Operating Revenues	Operating Expenses	Net Income (Loss)	Operating Revenues	Operating Expenses	Net Income (Loss)	Operating Revenues	Operating Expenses	Net Income (Loss)	Operating Revenues	Operating Expenses	Net Income (Loss)
	(in millions)			*(in millions)*		*(in millions)*		*(in millions)*			*(in millions)*		
Gas distribution operations													
Gas pipeline investments													

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Gas marketing services
Gas marketing services
Gas marketing services
All other
Intercompany eliminations
Consolidated

Gas Distribution Operations

Gas The gas distribution operations segment is the largest component of Southern Company Gas' business and is subject to regulation and oversight by regulatory agencies in each of the states it serves. These agencies approve natural gas rates designed to provide Southern Company Gas with the opportunity to generate revenues to recover the cost of natural gas delivered to its customers and its fixed and variable costs, including depreciation, interest expense, operations and maintenance, taxes, and overhead costs, and to earn a reasonable return on its investments.

With the exception of Atlanta Gas Light, Southern Company Gas' second largest utility that operates in a deregulated natural gas market and has a straight-fixed-variable rate design that minimizes the variability of its revenues based on consumption, the earnings of the natural gas distribution utilities can be affected by customer consumption patterns that are a function of weather conditions, price levels for natural gas, and general economic conditions that may impact customers' ability to pay for natural gas consumed. Southern Company Gas has various regulatory and other mechanisms, such as weather and revenue normalization mechanisms and weather derivative instruments, that limit its exposure to changes in customer consumption, including weather changes within typical ranges in its natural gas distribution utilities' service territories. See Note 2 to the financial statements under "Southern Company Gas" for additional information.

In 2023, 2024, net income decreased $29 million increased $109 million, or 6.2% 24.7%, compared to 2022. 2023. Operating revenues decreased $1.2 billion $206 million primarily due to lower gas cost recovery, and lower volumes sold, partially offset by rate increases and continued investment in infrastructure replacement. increases. Gas costs recovered through natural gas revenues generally equal the amount expensed in cost of natural gas. Operating expenses decreased $1.2 billion $390 million primarily due to a $1.3 billion $412 million decrease in the cost of natural gas as a result of lower gas prices and lower volumes sold compared to 2022 2023 and lower taxes other than income taxes, the $88 million prior year regulatory disallowance at Nicor Gas, partially offset by $88 million related to the regulatory disallowances at Nicor Gas, higher depreciation resulting from additional assets placed in service, higher compensation and benefits expenses, and a $20 million increase related to energy service contracts. higher revenue taxes. The decrease in operating expenses also includes costs passed through directly to customers, primarily related to bad debt expenses, expense, energy efficiency programs, and revenue taxes. The decrease in net income also includes an increase of $46 million in income taxes primarily as a result of higher pre-tax earnings and an increase of $36 million in interest expense, net of amounts capitalized primarily due to higher interest rates and higher average outstanding debt, partially offset by a $19 million decrease in income taxes primarily as a result of the tax benefit resulting from the regulatory disallowances at Nicor Gas. debt. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects – Nicor Gas" for additional information.

Gas Pipeline Investments

Gas The gas pipeline investments segment consists primarily of joint ventures in natural gas pipeline investments including SNG and Dalton Pipeline. In 2023, net income decreased $9 million compared to 2022. The decrease was primarily due to lower earnings at SNG resulting from higher expenses. See Note 7 to the financial statements under "Southern Company Gas" for additional information.

Gas Marketing Services

GasThe gas marketing services segment provides energy-related products and services to natural gas markets and participants in customer choice programs that were approved in various states to increase competition. These programs allow customers to choose their natural gas supplier while the local distribution utility continues to provide distribution and transportation services. Gas marketing

services is weather sensitive and uses a variety of hedging strategies, such as weather derivative instruments and other risk management tools, to partially mitigate potential weather impacts.

In 2023, 2024, net income decreased $3 million increased $11 million, or 3.2% 12.1%, compared to 2022. 2023. The decrease increase was due to a $90 million $43 million decrease in operating expenses primarily related to a decrease in cost of natural gas, partially offset by a $32 million decrease in operating revenues primarily due to lower gas prices and the timing retail margins.

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All Other

All other includes natural gas storage businesses, a renewable natural gas business, AGL Services Company, and Southern Company Gas Capital, as well as various corporate operating expenses that are not allocated to the reportable segments and interest income (expense) associated with affiliate financing arrangements. All other included a natural gas storage facility in Texas through its sale in November 2022 and a natural gas storage facility in California through its sale in September 2023. See Note 15 to the financial statements under "Southern Company Gas" for additional information.

In 2023, net income increased $84 million compared to 2022. The increase was primarily due to a decrease in operating expenses primarily related to pre-tax impairment charges in 2022 totaling approximately $131 million ($99 million after tax) as a result of an agreement to sell two natural gas storage facilities, lower depreciation, lower cost of gas, and lower taxes other than income taxes, partially offset by a decrease in operating revenues of $19 million and an increase in income taxes. See Note 10 to the financial statements and Note 15 to the financial statements under "Southern Company Gas"for additional information.

FUTURE EARNINGS POTENTIAL

General

Prices for electric service provided by the traditional electric operating companies and natural gas distribution service provided by the natural gas distribution utilities to retail customers are set by state PSCs or other applicable state regulatory agencies under cost-based regulatory principles. Retail rates and earnings are reviewed through various regulatory mechanisms and/or processes and may be adjusted periodically within certain limitations. Effectively operating pursuant to these regulatory mechanisms and/or processes and appropriately balancing required costs and capital expenditures with customer prices will continue to challenge the traditional electric operating companies and the natural gas distribution utilities for the foreseeable future. Prices for wholesale electricity sales, interconnecting transmission lines, and the exchange of electric power are regulated by the FERC. Southern Power continues to focus on long-term PPAs. See ACCOUNTING POLICIES – "Application of Critical Accounting Policies and Estimates – Utility Regulation" herein and Note 2 to the financial statements for additional information about regulatory matters.

Each Registrant's results of operations are not necessarily indicative of its future earnings potential. The level of the Registrants' future earnings depends on numerous factors that affect the opportunities, challenges, and risks of the Registrants' primary businesses of selling electricity and/or distributing natural gas, as described further herein. The Registrants are unable to predict changes in law, regulations, regulatory guidance, legal interpretations, policy positions, and implementation actions that may result from the change in presidential administrations.

For the traditional electric operating companies, these factors include the ability to maintain constructive regulatory environments that allow for the timely recovery of prudently-incurred costs during a time of increasing costs, including those related to projected long-term demand growth, stringent environmental standards, including CCR rules, safety, system reliability and resiliency, fuel, restoration following major storms, and capital expenditures, including constructing new electric generating plants, extending the retirement dates of certain fossil fuel plants, and expanding and improving the transmission and distribution systems; continued customer growth; and the trends of higher inflation an uncertain inflationary environment and reduced electricity usage per customer, especially in residential and commercial markets. For Georgia Power, other major factors are completing construction and start-up of Plant Vogtle Unit 4 and meeting the related cost and schedule projections.

Earnings in the electricity business will also depend upon maintaining and growing sales and pricing of large customers such that incremental costs are met with adequate incremental revenues, considering, among other things, recent trends driving projected growth in electricity consumption including the adoption and/or penetration rates increasing digitization of increasingly energy-efficient technologies the economy and increasing volumes growth in data centers, an increase in industrial activity in the Southern Company system's electric service territory, and continued electrification of electronic commerce transactions, which transportation. These projected growth opportunities could contribute to a net reduction be offset by energy efficiency trends in customer usage. each market.

Global and U.S. economic conditions continue to be affected by higher-than-expected inflation that arose from the COVID-19 pandemic and associated policy responses of governments and central banks. In response to elevated inflation levels, the U.S. Federal Reserve raised interest rates faster than any rate increase cycle in the last 40 years. The actions by the U.S. Federal Reserve years, which have helped to slow the rate of inflation and curtail economic activity. Although target levels of inflation have yet to be achieved, In 2024, the U.S. Federal Reserve has indicated its current intention began cutting policy rates as inflation began to pause future approach the 2% target level. Uncertainty remains as to whether the rate increases reductions will continue in 2025 as potential fiscal policy changes could influence inflation levels, progress to the 2% target, and evaluate subsequent policy rate cuts decisions. This uncertainty in economic growth, interest rates, tariffs, and inflation could impact customer demand for energy and the near term. cost of doing business. The shifting economic policy variables and weakening of historic relationships among economic activity, prices, and employment have increased the uncertainty of future levels of economic activity, which will directly impact future energy demand and operating costs. Weakening economic activity increases the risk of slowing or declining energy sales. See RESULTS OF OPERATIONS herein for information on energy sales in the Southern Company system's service territory during 2023.

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2024.

The level of future earnings for Southern Power's competitive wholesale electric business depends on numerous factors including the parameters of the wholesale market and the efficient operation of its wholesale generating assets; Southern Power's ability to execute its growth strategy through the development, construction, or acquisition of renewable facilities and other energy projects while containing costs; regulatory matters; customer creditworthiness; total electric generating capacity available in Southern Power's market areas; Southern Power's ability to successfully remarket capacity as current contracts expire; renewable portfolio standards; continued availability of federal and state ITCs and PTCs, which could be impacted by future tax legislation; transmission constraints; cost of generation from units within the Southern Company power pool; and operational limitations. See "Income

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"Income Tax Matters" herein for information regarding the IRA's expansion of the availability of federal ITCs and PTCs. Also see Notes 10 and 15 to the financial statements for additional information.

The level of future earnings for Southern Company Gas' primary business of distributing natural gas and its complementary businesses in the gas pipeline investments and gas marketing services sectors depends on numerous factors. These factors include the natural gas distribution utilities' ability to maintain constructive regulatory environments that allow for the timely recovery of prudently-incurred costs, including those related to projected long-term demand growth, safety, system reliability and resiliency, natural gas, and capital expenditures, including expanding and improving the natural gas distribution systems; the completion and subsequent operation of ongoing infrastructure and other construction projects; customer creditworthiness; and certain policies to limit the use of natural gas, such as the potential in Illinois and across certain other parts of the U.S. United States for state or municipal bans on the use of natural gas or policies designed to promote electrification. The volatility of natural gas prices has an impact on Southern Company Gas' customer rates, its long-term competitive position against other energy sources, and the ability of Southern Company Gas' gas marketing services business to capture value from locational and seasonal spreads. Additionally, changes in commodity prices, primarily driven by tight gas supplies, geopolitical events, and diminished gas production, subject a portion of Southern Company Gas' operations to earnings variability and may result in higher natural gas prices. Additional economic factors may contribute to this environment. The demand for natural gas may increase, which may cause natural gas prices to rise and drive higher volatility in the natural gas markets on a longer-term basis. Alternatively, a significant drop in oil and natural gas prices could lead to a consolidation of natural gas producers or reduced levels of natural gas production.

Earnings for both the electricity and natural gas businesses are subject to a variety of other factors. These factors include weather; competition; developing new and maintaining existing energy contracts and associated load requirements with wholesale customers; demand growth in data centers; customer energy conservation practices; the use of alternative energy sources by customers; government incentives to reduce overall energy usage; fuel, labor, and material prices in an environment of heightened inflation and material and labor supply chain disruptions; and the price elasticity of demand. Demand for electricity and natural gas in the Registrants' service territories is primarily driven by the pace of economic growth or decline that may be affected by changes in regional and global economic conditions, which may impact future earnings.

Mississippi Power provides service under long-term contracts with rural electric cooperative associations and a municipality located in southeastern Mississippi under requirements cost-based electric tariffs which are subject to regulation by the FERC. The contracts with these wholesale customers represented 14.0% 13.9% of Mississippi Power's total operating revenues in 2023. 2024. See Note 2 to the financial statements under "Mississippi Power – Municipal and Rural Associations Tariff" for information on a rate settlement related to Mississippi Power's contract with Cooperative Energy through the end of 2035, subject to approval by the FERC.

As part of its ongoing effort to adapt to changing market conditions, Southern Company continues to evaluate and consider a wide array of potential business strategies. These strategies may include business combinations, partnerships, and acquisitions involving other utility or non-utility businesses or properties, disposition of, or the sale of interests in, certain assets or businesses, internal restructuring, or some combination thereof. Furthermore, Southern Company may engage in new business ventures that arise from competitive and regulatory changes in the utility industry. Pursuit of any of the above strategies, or any combination thereof, may significantly affect the business operations, risks, and financial condition of Southern Company. In addition, Southern Power and Southern Company Gas regularly consider and evaluate joint development arrangements as well as acquisitions and dispositions of businesses and assets as part of their business strategies. See Note 15 to the financial statements and "Construction Programs" herein for additional information.

Environmental Matters

The Southern Company system's operations are regulated by state and federal environmental agencies through a variety of laws and regulations governing air, water, land, avian and other wildlife and habitat protection, and other natural resources. The Southern Company system maintains comprehensive environmental compliance and GHG strategies to assess both current and upcoming requirements and compliance costs associated with these environmental laws and regulations. New or revised environmental laws and regulations could further affect many areas of operations for the Subsidiary Registrants. The costs required to comply with environmental laws and regulations and to achieve stated goals, including capital expenditures, operations and maintenance costs, and costs reflected in ARO liabilities, may impact future electric generating unit retirement and replacement decisions (which are generally subject to approval from the traditional electric operating companies' respective state PSCs), results of operations, cash flows, and/or financial condition. Related costs may result from the installation of additional environmental controls, closure and monitoring of CCR facilities, unit extensions or retirements and replacements, or changing fuel sources for certain existing

units, as well as related upgrades to the Southern Company system's transmission and distribution (electric and natural gas) systems. A major portion of these costs is expected to be recovered through retail and wholesale rates, including existing ratemaking and billing provisions. The ultimate impact of environmental laws and regulations and the GHG goals discussed herein cannot be determined at this time and will depend on various factors, such as state adoption and

implementation of requirements, the availability and cost of any deployed technology, fuel prices, the outcome of pending and/or future legal challenges and regulatory matters, and the ability to continue recovering the related costs, through rates for the traditional electric operating companies and the natural gas distribution utilities and/or through long-term

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wholesale agreements for the traditional electric operating companies and Southern Power.

Alabama Power and Mississippi Power recover environmental compliance costs through separate mechanisms, Rate CNP Compliance and the ECO Plan, respectively. Georgia Power's base rates include an ECCR tariff that allows for the recovery of environmental compliance costs. The natural gas distribution utilities of Southern Company Gas generally recover environmental remediation expenditures through rate mechanisms approved by their applicable state regulatory agencies. See Notes 2 and 3 to the financial statements for additional information.

Southern Power's PPAs generally contain provisions that permit charging the counterparty for some of the new costs incurred as a result of changes in environmental laws and regulations. Since Southern Power's units are generally newer natural gas and renewable generating facilities, costs associated with environmental compliance for these facilities have been less significant than for similarly situated coal or older natural gas generating facilities. Environmental, natural resource, and land use concerns, including the applicability of air quality limitations, the potential presence of wetlands or threatened and endangered species, the availability of water withdrawal rights, uncertainties regarding impacts such as increased light or noise, and concerns about potential adverse health impacts can, however, increase the cost of siting and/or operating any type of existing or future facility. The impact of such laws, regulations, and other considerations on Southern Power and subsequent recovery through PPA provisions cannot be determined at this time.

Further, increased costs that are recovered through regulated rates could contribute to reduced demand for electricity and natural gas, which could negatively affect results of operations, cash flows, and/or financial condition. Additionally, many commercial and industrial customers may also be affected by existing and future environmental requirements, which may have the potential to affect their demand for electricity and natural gas.

Although the timing, requirements, and estimated costs could change materially as environmental laws and regulations are adopted or modified, as compliance plans are revised or updated, and as legal challenges to rules are initiated or completed, estimated capital expenditures through 2028 2029 based on the current environmental compliance strategy for the Southern Company system and the traditional electric operating companies are as follows:

	2024	2025	2026	2027	2028	Total
	2025	2026	2027	2028	2029	Total
				(in millions)		
Southern Company						
Alabama Power						
Georgia Power						
Mississippi Power						

These estimates do not include compliance costs associated with potential regulation of GHG emissions or the proposed ELG Supplemental Rule. emissions. See "Environmental Laws and Regulations – Greenhouse Gases" and "– Water Quality" herein for additional information. The Southern Company system also anticipates substantial expenditures associated with ash pond surface impoundment closure and groundwater monitoring under the CCR Rule and related state rules, which are reflected in the applicable Registrants' ARO liabilities. See FINANCIAL CONDITION AND LIQUIDITY – "Cash Requirements" herein and Note 6 to the financial statements for additional information.

Environmental Laws and Regulations

Air Quality

Since 1990, the Southern Company system reduced SO_2 and NO_x air emissions by 99% and 92%, respectively, through 2022. 2023. Since 2005, the Southern Company system reduced mercury air emissions by 97% through 2022. 2023.

On February 13, 2023, In February 2023, the EPA published a final rule disapproving 19 state implementation plans (SIPs), including SIPs submitted by the States of Alabama and Mississippi, under the interstate transport (good neighbor) provisions of the Clean Air Act for the 2015 Ozone National Ambient Air Quality Standards (NAAQS). On March 14, 2023 and March 15, 2023, In March 2023, the State of Mississippi and Mississippi Power respectively, challenged the EPA's disapproval of the Mississippi SIP in the U.S. Court of Appeals for the

Fifth Circuit. On June 8, 2023, In June 2023, the U.S. Court of Appeals for the Fifth Circuit stayed the EPA's disapproval of the Mississippi SIP, pending appeal. On April 13, 2023 and April 14, 2023, In April 2023, the State of Alabama, Alabama Power, and PowerSouth Energy Cooperative challenged the EPA's disapproval of the Alabama SIP in the U.S. Court of Appeals for the Eleventh Circuit. On August 17, 2023, In August 2023, the U.S. Court of Appeals for the Eleventh Circuit stayed the EPA's disapproval of the Alabama SIP, pending appeal. On October 21, 2024, the U.S. Supreme Court issued an order granting review of a decision by the U.S. Court of Appeals for the Tenth Circuit transferring challenges to the EPA's disapproval of

Oklahoma's and Utah's interstate transport SIPs to the U.S. Court of Appeals for the D.C. Circuit. On October 24, 2024, the U.S. Court of Appeals for the Eleventh Circuit placed the Alabama SIP disapproval case in abeyance pending the U.S. Supreme Court's decision on the venue issue.

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On June 5, 2023, In June 2023, the EPA published the 2015 Ozone NAAQS Good Neighbor federal implementation plan (FIP), which requires reductions in NO_x emissions from sources in 23 states, including Alabama and Mississippi, to assure those states satisfy their Clean Air Act good neighbor obligations for the 2015 Ozone NAAQS. Georgia and North Carolina have approved interstate transport SIPs addressing the 2015 Ozone NAAQS and are not subject to this rule. On June 16, 2023 and June 27, 2023, In June 2023, the State of Mississippi and Mississippi Power respectively, challenged the FIP for Mississippi in the U.S. Court of Appeals for the Fifth Circuit. On August 4, 2023, In August 2023, the State of Alabama, Alabama Power, and PowerSouth Energy Cooperative challenged the FIP for Alabama in the U.S. Court of Appeals for the Eleventh Circuit. Both cases are being held in abeyance pending resolution of the Mississippi SIP disapproval and Alabama SIP disapproval cases, respectively. On June 27, 2024, the U.S. Supreme Court stayed the FIP pending the disposition of petitions for review of the FIP in the U.S. Court of Appeals for the D.C. Circuit and any petition for writ of certiorari to the U.S. Supreme Court. On September 12, 2024, the U.S. Court of Appeals for the D.C. Circuit granted the EPA's motion for partial voluntary remand of the FIP to address the administrative record deficiencies preliminarily identified by the U.S. Supreme Court. On December 10, 2024, the EPA published its supplemental response to comments on the FIP which addresses the administrative record deficiencies. On February 6, 2025, the EPA filed a motion in the U.S. Court of Appeals for the D.C. Circuit requesting a 60-day abeyance of the FIP challenges so that the new Trump Administration can determine how to proceed with the litigation.

In July and September 2023, the EPA published an Interim Final Rule and an updated Interim Final Rule that stays the implementation of the FIPs for states with judicially stayed SIP disapprovals, including Mississippi and Alabama, respectively. The Interim Final Rule revises the existing regulations to maintain currently applicable trading programs for those states.

The ultimate impact of the rule and associated legal matters cannot be determined at this time; however, implementation of the stayed FIPs will likely may result in increased compliance costs for the traditional electric operating companies. costs.

Water Quality

In 2020, the EPA published the final steam electric ELG reconsideration rule (ELG Reconsideration (2020 ELG Rule), a reconsideration of the 2015 ELG rule's limits on bottom ash transport water and flue gas desulfurization wastewater that extended the latest applicability date for both discharges to December 31, 2025. The 2020 ELG Reconsideration Rule also updated the voluntary incentive program (VIP) and provided new subcategories for low utilization electric generating units and electric generating units that will permanently cease coal combustion by 2028. On March 29, 2023 May 9, 2024, the EPA published a proposed the final rule revising the Steam Effluent Guidelines (2024 ELG Supplemental Rule revising certain effluent limits of the 2020 and 2015 ELG rules. The proposal imposes Rule), which establishes more stringent requirements limits for flue gas desulfurization wastewater, bottom ash transport water, and combustion residual leachate to be met no later than December 31, 2029. The EPA is also proposing that 2024 ELG Rule maintains the existing rule's permanent cessation of coal subcategory and the existing rule's VIP and adds a limited number of facilities already achieving compliance with the 2020 ELG Reconsideration Rule be allowed new cessation subcategory which allows units to elect retirement or repowering cease coal combustion by December 31, 2032 December 31, 2034 as opposed to meeting the new more stringent requirements. The proposal maintains 2024 ELG Rule also establishes limitations for legacy wastewater which became effective on July 8, 2024. Numerous groups and states filed petitions for review challenging the 2020 ELG Reconsideration Rule's permanent cessation rule in multiple federal circuit courts, and, on June 14, 2024, the challenges were consolidated in the U.S. Court of coal combustion subcategory allowing units Appeals for the Eighth Circuit. On July 26, 2024, industry and state petitioners filed a motion to continue to operate until stay the end of 2028 without having to install additional technologies. The proposal also maintains the Voluntary Incentive Program (VIP) subcategory, rule pending judicial review, which allows units to comply with VIP limits by December 31, 2028 was denied on October 10, 2024. A final rule is anticipated in 2024. The ultimate impact of this proposal the 2024 ELG Rule and associated legal matters cannot be determined at this time; however, it may result in significant compliance costs.

As required by the 2020 ELG Reconsideration Rule, in 2021, Alabama Power and Georgia Power each submitted initial notices of planned participation (NOPP) for applicable units seeking to qualify for these cessation of coal combustion or VIP subcategories that require compliance by December 31, 2028.

Alabama Power submitted its NOPP to the Alabama Department of Environmental Management (ADEM) indicating plans to retire Plant Barry Unit 5 (700 MWs) and to cease using coal and begin operating solely on natural gas at Plant Barry Unit 4 (350 MWs) and Plant Gaston Unit 5 (880 MWs). Alabama Power, as agent for SEGCO, indicated plans to retire Plant Gaston Units 1 through 4 (1,000 MWs). However, Alabama Power, in conjunction with Georgia Power, is evaluating extending the operation of Plant Gaston Units 1 through 4 beyond the indicated retirement date. The NOPP submittals are subject to the review of the ADEM. Plant Barry Unit 4 ceased using coal and began to operate solely on natural gas in December 2022. See Notes 2 and 7 to the financial statements under "Georgia Power – Integrated Resource Plans" and "SEGCO," respectively, for additional information.

The remaining assets for which Alabama Power has indicated retirement, due to early closure or repowering of the unit to natural gas, have net book values totaling approximately $1.2 billion $944 million (excluding capitalized asset retirement costs which are recovered through Rate CNP Compliance) at December 31, 2023 December 31, 2024. Based on an Alabama PSC order, Alabama Power is authorized to establish a regulatory asset to record the unrecovered investment costs, including the plant asset balance and the site removal and closure costs, associated with unit retirements caused by environmental regulations (Environmental Accounting Order). Under the

Environmental Accounting Order, the regulatory asset would be amortized and recovered over an affected unit's remaining useful life, as established prior to the decision regarding early retirement, through Rate CNP Compliance. See Note 2 to the financial statements under "Alabama Power – Rate CNP Compliance" and " – Environmental Accounting Order" for additional information.

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Georgia Power submitted its NOPP to the Georgia Environmental Protection Division (EPD) indicating plans to retire Plant Wansley Units 1 and 2 (926 MWs based on 53.5% ownership), which occurred in August 2022, Plant Bowen Units 1 and 2 (1,400 MWs), and Plant Scherer Unit 3 (614 MWs based on 75% ownership) on or before the compliance date of December 31, 2028. Georgia Power also submitted a NOPP indicating plans to pursue compliance with the 2020 ELG Reconsideration Rule for Plant Scherer Units 1 and 2 (137 MWs based on 8.4% ownership) through the voluntary incentive program VIP by no later than December 31, 2028. Georgia Power intends to comply with the ELG Rules rules for Plant Bowen Units 3 and 4 through the generally applicable requirements by December 31, 2025; therefore, no NOPP submission was required for these units. The NOPP submittals and generally applicable requirements are subject to the review of the Georgia EPD and decisions related to retirement or continued operation of units are subject to Georgia PSC approval.

On January 31, 2025, Georgia Power filed its 2025 IRP, which includes a request to extend the operation of Plant Scherer Unit 3 through at least December 31, 2035 and Plant Gaston Units 1 through 4 (500 MWs based on 50% ownership through SEGCO) through at least December 31, 2034. As in the 2023 IRP Update as well as the 2025 IRP, Plant Bowen Units 1 and 2 were also assumed to operate through at least the end of 2035. See Note Notes 2 and 7 to the financial statements under "Georgia Power – Integrated Resource Plans" and "SEGCO," respectively, for additional information.

Coal Combustion Residuals

In 2015, the EPA finalized non-hazardous solid waste regulations for the management and disposal of CCR, including coal ash and gypsum, in landfills and surface impoundments (ash ponds) at active electric generating power plants. The CCR Rule requires landfills and ash ponds surface impoundments to be evaluated against a set of performance criteria and potentially closed if certain criteria are not met. Closure of existing landfills and ash ponds surface impoundments requires installation of equipment and infrastructure to manage CCR in accordance with the CCR Rule. In addition to the federal CCR Rule, the States of Alabama and Georgia finalized state regulations regarding the management and disposal of CCR within their respective states. In 2019, the State of Georgia received partial approval from the EPA for its state CCR permitting program, which has broader applicability than the federal rule. The State of Mississippi has not developed a state CCR permit program.

On August 14, 2023 June 7, 2024, the EPA published a proposal final determination to deny the ADEM's CCR permit program application. program. Alabama Power's permits to close its CCR facilities remain valid under state law. In the absence of an EPA-approved state permit program, CCR facilities in Alabama will remain subject to both the federal and state CCR rules. The ultimate impact of this action cannot be determined at this time; however, it may result in significant compliance costs.

The Holistic Approach to Closure: Part A rule, finalized in 2020, revised the deadline to stop sending CCR and non-CCR wastes to unlined surface impoundments to April 11, 2021 and established a process for the EPA to approve extensions to the deadline. The traditional electric operating companies stopped sending CCR and non-CCR wastes to their unlined surface impoundments prior to April 11, 2021 and, therefore, did not submit requests for extensions. Beginning in January 2022, the EPA issued numerous Part A determinations that state its current positions on a variety of CCR Rule compliance requirements, such as criteria for groundwater corrective action and CCR unit closure. The traditional electric operating companies are working with state regulatory agencies to determine whether the EPA's current positions may impact closure and groundwater monitoring plans.

In April 2022, the Utilities Solid Waste Activities Group and a group of generating facility operators filed petitions for review in the U.S. Court of Appeals for the D.C. Circuit challenging whether the EPA's January 2022 actions establish new legislative rules that should have gone through notice-and-comment rulemaking. A On June 28, 2024, the U.S. Court of Appeals for the D.C. Circuit issued a decision by dismissing the court is expected challenges to the EPA's January 2022 actions and interpretations related to the closure performance standards in 2024. the 2015 CCR rule. The ultimate impacts impact of this decision and the EPA's current positions are subject to the outcome of the pending litigation and any potential future rulemaking and cannot be determined at this time. time; however, it may result in significant compliance costs.

On May 18, 2023 May 8, 2024, the EPA published a proposed the final legacy CCR surface impoundments rule to establish which regulates two new categories of federally regulated CCR, legacy surface impoundments and CCR management units (CCRMUs). The proposal establishes accelerated compliance deadlines for rule requires legacy surface impoundments and CCRMUs to meet certain existing regulatory requirements, including a requirement to initiate closure within 12 42 months after the effective date of the final rule. rule for legacy surface impoundments and within 54 months after the effective date of the final rule for CCRMUs. The final rule also includes an option to defer closure of previously closed units where certain criteria have been met. The final rule also includes enhanced reporting requirements. The EPA is also proposing finalizing an alternative provision for closure by removal that will allow certifying completion of closure of a definition unit while conducting groundwater monitoring and corrective action during post-closure care. Numerous industry groups, electric generators, and states filed petitions for CCRMUs. The EPA's proposal would also require facility evaluations review challenging the rule in the U.S. Court of Appeals for the D.C. Circuit. On August 19, 2024, an industry petitioner filed

a motion seeking to stay the legacy surface impoundment to determine CCR rule pending judicial review, which was denied by the presence or absence U.S. Court of CCRMUs. CCRMUs must comply Appeals for the D.C. Circuit on November 1, 2024. On November 5, 2024, the industry petitioner filed an emergency stay application with the CCR Rule's provisions for groundwater monitoring, corrective action, closure, and post-closure activities. U.S. Supreme Court, which was denied on December 11, 2024. On November 14, 2023 February 13, 2025, the EPA published a Notice U.S. Court of Data Availability supplementing Appeals for the proposed D.C. Circuit placed the legacy CCR rule which sought comment on challenges in abeyance for 120 days so that the new data and a supplemental risk assessment that could be used Trump Administration can determine how to support final rulemaking. A final rule is anticipated in 2024. proceed with the litigation. The ultimate impact of this proposal the final rule and associated legal matters cannot be determined at this time; however, it may result in significant compliance costs.

Based on requirements for closure and monitoring of landfills and ash ponds surface impoundments pursuant to the CCR Rule and applicable state rules, the traditional electric operating companies have periodically updated, and expect to continue periodically updating, their related cost estimates and ARO liabilities for each CCR unit as additional information related to compliance monitoring, closure methodologies and strategies, schedules, and/or costs becomes available. Some of these updates have been, and future updates may be, material. Additionally, the closure designs and plans in the States of Alabama and Georgia are subject to approval by environmental regulatory agencies. Absent continued recovery of ARO costs through regulated rates, results of operations, cash flows, and financial condition for Southern Company and the traditional electric operating companies could be materially impacted. See FINANCIAL CONDITION AND LIQUIDITY – "Cash Requirements," Requirements" herein, Notes 2 and 3 to the financial statements under "Georgia Power – Rate Plans" and "General Litigation Matters – Alabama Power," respectively, and Note 6 to the financial statements for additional information.

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Greenhouse Gases

On May 23, 2023 May 9, 2024, the EPA published proposed the final GHG standards and state plan guidelines rules for existing fossil fuel-fired power plants, steam electric generating units and new fossil fuel-fired combustion turbines and combined cycle generation facilities, which would require requires GHG limits for subcategories of both new and existing units. The new rules do not include standards for existing fossil fuel-fired combustion turbines and combined cycle generation facilities, which have been deferred to a future rulemaking. Requirements for existing coal-fired units are based on technologies such as carbon capture and sequestration low-GHG hydrogen co-firing, (CCS) and natural gas co-firing. States have 24 months after the rule's publication to submit state plans for existing units. The proposed standards for new combustion turbines include subcategories for different operational uses including peaking, intermediate, rule allows states to consider remaining useful life and base load. Compliance with new source standards, once finalized, begins when the unit comes online. The proposed state plan guidelines other factors to specify alternative, unit-specific emissions limits and compliance timelines for existing units, include subcategories based on unit type, retirement date, size, as needed to address reliability and capacity factor. The EPA is proposing a 24-month state plan submission deadline for the existing unit implementation and may allow states to implement some limited form of trading and averaging for the state plans. other concerns. Existing source compliance is proposed to will begin as early as January 1, 2030, depending on the subcategory. The final rule incorporates some limited reliability mechanisms including a provision for short-term grid emergencies and a "reliability assurance mechanism" that allows for a one-time, up to one year, extension of existing coal unit type retirement dates specified in an approved state plan. The standards for new combustion turbines and subcategory. combined cycles include subcategories for low, intermediate, and base load operations. Compliance with new source standards begins when the unit comes online, with requirements for CCS beginning on January 1, 2032. The EPA also proposes to simultaneously repeal repealed the Affordable Clean Energy rule. Numerous industry groups, electric generators, and states have filed petitions for review challenging the rule in the U.S. Court of Appeals for the D.C. Circuit. A total of eight stay motions were filed seeking a stay of the rule pending judicial review, which were denied by the U.S. Court of Appeals for the D.C. Circuit on July 19, 2024. On November 17, 2023 February 5, 2025, the EPA published filed a final rule updating motion in the regulations governing U.S. Court of Appeals for the processes and timelines for state and federal plans D.C. Circuit requesting a 60-day abeyance of the challenges so that the new Trump Administration can determine how to implement existing source GHG performance standards. While this rule establishes proceed with the general requirements and timelines for states to follow in implementing the EPA's emissions guidelines, the pending final rule for GHG emissions from fossil fuel-fired power plants is expected to include schedules and other implementation requirements that will supersede these general provisions. litigation. On November 20, 2023 October 16, 2024, the EPA published a Supplemental Notice of Proposed Rulemaking for the pending rules for fossil fuel-fired power plants requesting additional input on how the EPA should address reliability concerns in the final rules. A final rule is anticipated in 2024. U.S. Supreme Court denied emergency stay applications filed by numerous industry groups, electric generators, and states. The ultimate impact of this proposal the final rules and associated legal matters cannot be determined at this time; however, it may result in significant compliance costs.

In 2021, the United States officially rejoined the Paris Agreement. The Paris Agreement establishes a non-binding universal framework for addressing GHG emissions based on nationally determined emissions reduction contributions and sets in place a process for tracking progress towards the goals every five years. In 2021, On January 20, 2025, President Biden announced a new target for Trump issued an executive order directing the United States to achieve a 50% to 52% reduction in economy-wide GHG emissions withdraw from 2005 levels by 2030. The target was accepted the Paris Agreement and revoke commitments made by the United Nations as States under the United States' nationally determined emissions reduction contribution under the Paris Agreement. Nations Framework Convention on Climate Change.

Additional GHG policies, including legislation, may emerge in the future requiring the United States to accelerate its transition to a lower GHG emitting economy; however, associated impacts are currently unknown. The Southern Company system has transitioned from an electric generating mix of 70% coal, and 15% natural gas, and 14% nuclear in 2007 to a mix of 17% 18% coal, and 54% 52% natural gas, and 20% nuclear in 2023. 2024. This transition has been supported in part by the Southern Company system retiring over 6,700 MWs of coal-fired generating capacity since 2010 and converting 3,700 MWs of generating capacity from coal to natural gas since 2015. 2015, as well as the addition of over 1,100 MWs of nuclear generating capacity (based on Georgia Power's ownership interest in Plant Vogtle Units 3 and 4) since 2023. In addition, the Southern Company system's capacity mix consists of over 11,600 12,500 MWs of renewable and storage facilities through ownership (including 100% of the nameplate capacity of Southern Power's facilities owned with partners) and long-term PPAs. See "Environmental Laws and Regulations – Water Quality" herein for information on plans to retire or convert to natural gas additional coal-fired generating capacity. In addition, Southern Company Gas has replaced over 6,000 miles of pipe material that was more prone to fugitive emissions (unprotected steel and

cast-iron pipe), resulting in mitigation of more than 3.3 million metric tons of CO_2 equivalents from its natural gas distribution system since 1998.

The following table provides the Registrants' 2022 2023 and preliminary 2023 2024 Scope 1 GHG emissions based on equity share of facilities:

		2022		Preliminary 2023	
		2023		Preliminary 2024	
				(in million metric tons of CO_2 equivalent)	
Southern Company(*)	Southern Company(*)	85	80	Southern Company(*)	79
Alabama Power(*)		35	28		
Alabama Power		28	30		
Georgia Power	Georgia Power	23	24	Georgia Power	24
Mississippi Power	Mississippi Power	9		Mississippi Power	9
Southern Power	Southern Power	13		Southern Power	13 12

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Southern Company Gas(*)	Southern Company Gas(*)	2	Southern Company Gas(*)	2

(*) Includes GHG emissions attributable to disposed assets through the date of the applicable disposition and to acquired assets beginning with the date of the applicable acquisition. disposition. See Note 15 to the financial statements for additional information.

Southern Company system management has established an intermediate goal of a 50% reduction in GHG emissions from 2007 levels by 2030 and a long-term goal of net zero GHG emissions by 2050. Based on the preliminary 2023 2024 emissions, the Southern Company system has achieved an estimated GHG emission reduction of 49% since 2007. Although electric generation increased, GHG emissions decreased remained flat in 2023 2024 when compared to 2022 as coal generation was displaced by 2023 due to an increase in lower carbon generation, including from Plant Vogtle Unit Units 3 and 4, as discussed further under RESULTS OF OPERATIONS – "Southern Company – Electricity Business" herein. Southern Company system management expects to achieve GHG reductions of greater than 50% as early as 2025, five years earlier than the established interim goal, and remain close to 50% through the late 2020s, followed thereafter by continued reductions. While none

of Southern Company's subsidiaries are currently subject to renewable portfolio standards or similar requirements, management of the traditional electric operating companies is working with applicable regulators through their IRP processes to continue the generating fleet transition in a manner responsible to customers, communities, employees, and other stakeholders. The natural gas distribution utilities also engage in long-term planning processes in accordance with their state regulatory processes and are investing in programs and efforts to reduce GHG emissions associated with the delivery and use of natural gas, such as advanced leak detection and repair and renewable natural gas. Achievement of these goals is dependent on various factors, many factors, of which the Southern Company system does not control, including load growth across the Southern Company system's service territory, energy policy and regulations, natural gas prices, and the pace and extent of development and deployment of low- to no-GHG energy technologies and negative carbon concepts. Southern Company system management plans to continue to pursue a diverse portfolio including low-carbon and carbon-free resources and energy efficiency resources; continue to economically transition the Southern Company system's generating fleet through a diverse portfolio of resources including low-carbon and make carbon-free resources; making the necessary related investments in transmission and distribution systems; continuing to implement effective energy efficiency and demand response programs; customer demand for carbon-free energy; implementing initiatives to reduce natural gas distribution operational emissions; continue its continuing research and development with a particular focus on technologies that lower GHG emissions, including methods of removing carbon from the atmosphere; and constructively engage engaging with policymakers, regulators, investors, customers, and other stakeholders to support outcomes leading to a net zero future. There is no guarantee that the Southern Company system will achieve these goals.

Environmental Remediation

The Southern Company system must comply with environmental laws and regulations governing the handling and disposal of waste and releases of hazardous substances. Under these various laws and regulations, the Southern Company system could incur substantial costs to clean up affected sites. The traditional electric operating companies and Southern Company Gas conduct studies to determine the extent of any required cleanup and have recognized the estimated costs to clean up known impacted sites in their financial statements. Amounts for cleanup and ongoing monitoring costs were not material for any year presented. The traditional electric operating companies and the natural gas distribution utilities in Illinois and Georgia (which represent substantially all of Southern Company Gas' accrued remediation costs) have all received authority from their respective state PSCs or other applicable state regulatory agencies to recover approved environmental remediation costs through regulatory mechanisms. These regulatory mechanisms are adjusted annually or as necessary within limits approved by the state PSCs or other applicable state regulatory agencies. The traditional electric operating companies and Southern Company Gas may be liable for some or all required cleanup costs for additional sites that may require environmental remediation. See Note 3 to the financial statements under "Environmental Remediation" for additional information.

Regulatory Matters

See OVERVIEW – "Recent Developments" herein and Note 2 to the financial statements for a discussion of regulatory matters related to Alabama Power, Georgia Power, Mississippi Power, and Southern Company Gas, including items that could impact the applicable Registrants' future earnings, cash flows, and/or financial condition.

Alabama Power

On July 14, 2023, Alabama Power issued a request for proposals of between 100 MWs and 1,200 MWs of capacity beginning no later than December 1, 2028, with consideration for commencement as early as 2025. Any purchases will depend upon the cost competitiveness of the respective offers, as well as other options available to Alabama Power, and would ultimately require approval by the Alabama PSC. The ultimate outcome of this matter cannot be determined at this time.

Construction Programs

The Subsidiary Registrants are engaged in continuous construction programs to accommodate existing and estimated future loads on their respective systems. The Southern Company system strategy continues to include developing and constructing new electric generating facilities, expanding and improving the electric transmission and electric and natural gas distribution systems, and undertaking projects to comply with environmental laws and regulations.

For the The traditional electric operating companies major are engaged in continuous construction programs to accommodate existing and estimated future loads on their respective systems. Major generation construction projects are subject to state PSC approval in order to be included in retail rates. The largest construction project currently underway in the Southern Company system is Plant Vogtle Unit 4. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information. Also see Note 2

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to the financial statements under "Georgia Power – Integrated Resource Plans" for information regarding Georgia Power's request with the Georgia PSC to develop, own, and operate construction of three simple cycle combustion turbines at Plant Yates. Yates and additional capacity through its 2022 IRP and 2023 IRP Update sought through RFPs.

Southern Power's construction program includes the Millers Branch solar project and the Kay Wind repowering project. The Kay Wind repowering project results in accelerated depreciation related to the equipment being replaced that will continue until commercial operation of the project, which is projected to occur in the third quarter 2026. Pre-tax accelerated depreciation, net of noncontrolling interest impacts, is projected to total approximately $100 million in 2025 and $40 million in 2026. See Note 15 to the financial statements under "Southern Power" for information relating to Southern Power's construction of renewable energy facilities.

Southern Company Gas is engaged in various infrastructure improvement programs designed to update or expand the natural gas distribution systems of the natural gas distribution utilities to improve reliability and resiliency, reduce emissions, and meet operational flexibility and growth. The natural gas distribution utilities recover their investment and a return associated with these infrastructure programs through their regulated rates. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects" for additional information on Southern Company Gas' construction program.

Table SNG is developing an approximately $3 billion proposed pipeline project, designed to meet customer demand by increasing SNG's existing pipeline capacity by approximately 1.3 billion cubic feet per day. Subject to the satisfaction or waiver of ContentsIndex various conditions, including the receipt of all required approvals by regulators, including the FERC, the operator of the joint venture anticipates the project will be completed in 2029. Southern Company Gas' share of the total project costs would be 50%. The ultimate outcome of this matter cannot be determined at this time. See Note 7 to Financial Statements

the financial statements under "Southern Company Gas" for additional information on SNG.

See FINANCIAL CONDITION AND LIQUIDITY – "Cash Requirements" Requirements – Capital Expenditures" herein for additional information regarding the Registrants' capital requirements for their construction programs, including estimated totals for each of the next five years.

Southern Power's Power Sales Agreements

General

Southern Power has PPAs with some certain of the traditional electric operating companies, other investor-owned utilities, IPPs, municipalities, electric cooperatives, and other load-serving entities, as well as commercial and industrial customers. The PPAs are expected to provide Southern Power with a stable source of revenue during their respective terms.

Many of Southern Power's PPAs have provisions that require Southern Power or the counterparty to post collateral or an acceptable substitute guarantee if (i) S&P, Fitch, or Moody's downgrades the credit ratings of the respective company to an unacceptable credit rating, (ii) the counterparty is not rated, or (iii) the counterparty fails to maintain a minimum coverage ratio. See FINANCIAL CONDITION AND LIQUIDITY – "Credit Rating Risk" herein for additional information.

Southern Power works to maintain and expand its share of the wholesale market. During 2023, 2024, Southern Power continued to be successful in remarketing up to 438 1,014 MWs of annual natural gas and solar generation capacity to load-serving entities through several PPAs extending over the next 16 years. Market demand is being driven by load-serving entities replacing expired purchase contracts and/or retired generation, as well as planning for future growth.

Natural Gas

Southern Power's electricity sales from natural gas facilities are primarily through long-term PPAs that consist of two types of agreements. The first type, referred to as a unit or block sale, is a customer purchase from a dedicated generating unit where all or a portion of the generation from that unit is reserved for that customer. Southern Power typically has the ability to serve the unit or block sale customer from an alternate resource. The second type, referred to as requirements service, provides that Southern Power serve the customer's capacity and energy requirements from a combination of the customer's own generating units and from Southern Power resources not dedicated to serve unit or block sales. Southern Power has rights to purchase power provided by the requirements customers' resources when economically viable.

As a general matter, substantially all of the PPAs provide that the purchasers are responsible for either procuring the fuel (tolling agreements) or reimbursing Southern Power for substantially all of the cost of fuel or purchased power relating to the energy delivered under such PPAs. To the extent a particular generating facility does not meet the operational requirements contemplated in the PPAs, Southern Power may be responsible for excess fuel costs. With respect to fuel transportation risk, most of Southern Power's PPAs provide that the counterparties are responsible for the availability of fuel transportation to the particular generating facility.

Capacity charges that form part of the PPA payments are designed to recover fixed and variable operation and maintenance costs based on dollars-per-kilowatt year. In general, to reduce Southern Power's exposure to certain operation and maintenance costs, Southern Power has LTSAs. See Note 1 to the financial statements under "Long-Term Service Agreements" for additional information.

Solar and Wind

Southern Power's electricity sales from solar and wind generating facilities are also primarily through long-term PPAs; however, these PPAs do not have a capacity charge and customers either purchase the energy output of a dedicated renewable facility through an energy charge or provide Southern Power a certain fixed price for the electricity sold to the grid. As a result, Southern Power's ability to recover fixed and variable operations and maintenance expenses is dependent upon the level of energy generated from these facilities, which can be impacted by weather conditions, equipment performance, transmission constraints, and other factors. Generally, under the renewable generation PPAs, the purchasing party retains the right to keep or resell the associated renewable energy credits.

Income Tax Matters

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Consolidated Income Taxes

The impact of certain tax events at Southern Company and/or its other subsidiaries can, and does, affect each Registrant's ability to utilize certain tax credits. See "Tax Credits" and ACCOUNTING POLICIES – "Application of Critical Accounting Policies and Estimates – Accounting for Income Taxes" herein and Note 10 to the financial statements for additional information.

Tax Credits

Southern Company has received receives ITCs and PTCs in connection with investments in solar, wind, fuel cell, advanced nuclear, hydroelectric, and battery energy storage facilities (co-located with existing solar facilities) primarily at Southern Power, Georgia Power, and Georgia Alabama Power.

Southern Power's ITCs relate to its investment in new solar facilities and battery energy storage facilities (co-located with existing solar facilities) that are acquired or constructed and its PTCs relate to the first 10 years of energy production from its wind and solar facilities, which have had, and may continue to have, a material impact on Southern Power's cash flows and net income. At December 31, 2023 December 31, 2024, Southern Company and Southern Power had approximately $0.8 billion $765 million and $0.5 billion $384 million, respectively, of unutilized federal ITCs and PTCs, which are currently expected projected to be fully utilized by 2029, 2028 but could be further delayed. Since 2018, Southern Power has been utilizing utilized tax equity partnerships for certain wind, solar, and battery energy storage projects, where the tax equity partner takes significantly all of the respective federal tax benefits. These tax equity partnerships are consolidated in Southern Company's and Southern Power's financial statements using the HLBV methodology to allocate partnership gains and losses.

In the third quarter 2023 and the second quarter 2024, Georgia Power started generating advanced nuclear PTCs for Plant Vogtle Unit Units 3 and 4, respectively, beginning on the each unit's respective in-service date of July 31, 2023. date. PTCs are recognized as an income tax benefit based on KWH production. In addition, pursuant to the Global Amendments to the Vogtle Joint Ownership Agreements (as defined in Note 2 to the financial statements under "Georgia Power – Nuclear Construction – Joint Owner Contracts" Cost and Schedule"), Georgia Power is purchasing advanced nuclear PTCs for Plant Vogtle Unit Units 3 and 4 from the other Vogtle Owners. The gain recognized on the purchase of the joint owner PTCs is recognized as an income tax benefit. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information regarding Plant Vogtle Units 3 and 4.

See Note 1 to the financial statements under "General" for additional information on the HLBV methodology and Note 1 to the financial statements under "Income Taxes" and Note 10 to the financial statements under "Deferred Tax Assets and Liabilities – Tax Credit Carryforwards" and "Effective Tax Rate" for additional information regarding utilization and amortization of credits and the tax benefit related to associated basis differences.

Inflation Reduction Act

In August 2022, the IRA was signed into law. The IRA extends, expands, and increases ITCs and PTCs for clean energy projects, allows PTCs for solar projects, adds ITCs for stand-alone energy storage projects with an option to elect out of the tax normalization requirement, and allows for the transferability of the tax credits. The IRA extends and increases the tax credits for carbon capture and sequestration CCS projects and adds tax credits for clean hydrogen and nuclear projects. Additional ITC and PTC amounts are available if the projects meet domestic content requirements or are located in low-income or energy communities. The IRA also enacted a 15% corporate minimum tax CAMT on book income, with material adjustments for pension costs and tax depreciation. The 15% corporate minimum tax CAMT on book income can be reduced by energy tax credits.

For solar projects placed in service in 2022 through 2032, the IRA provides for a 30% ITC and an option to claim a PTC instead of an ITC. Starting in 2023 and through 2032, the IRA provides for a 30% ITC for stand-alone energy storage projects. For wind projects placed in service in 2022 through 2032, the IRA provides for a 100% PTC, adjusted for inflation annually. For projects placed in service before 2022, the 2023 2024 PTC rate is 2.8 2.9 cents per KWH. For projects placed in service in 2022 and later, the 2023 2024 PTC rate is 2.75 3 cents per KWH. The same PTC rate applies for solar projects for which the PTC option has been elected. To realize the full value of ITCs and PTCs, the IRA requires satisfaction of prevailing wage and apprenticeship requirements.

In June 2023, April 2024, the IRS issued temporary final regulations related to the transferability transfer of tax credits. During the fourth quarter 2023, In 2024, Alabama Power, Georgia Power, and Southern Power executed an agreement entered into purchase and sale agreements with non-affiliated parties to transfer certain sell ITCs and PTCs at a discount to the generated credit value in 2023. 2024, 2025, and 2026. The discount will be recorded as a reduction in tax credits recognized was booked through income tax expense and was immaterial. in the financial statements. The Southern Company and certain subsidiaries are considering system continues to explore the sale of additional ability to efficiently monetize tax credits through third-party transferability agreements. See Note 10 to the financial statements for additional information.

Alabama Power and Georgia Power have nuclear generating facilities that are eligible may qualify to generate and claim PTCs under the IRA beginning in 2024.

On September 12, 2024, the U.S. Treasury Department and the IRS issued a notice of proposed regulations that would address the application of the CAMT. Southern Company is evaluating the proposed regulations and is subject to the CAMT for the 2024 tax year, primarily driven by tax deductions for Georgia Power's storm restoration costs and the natural gas safe harbor tax accounting method change, based on interpretations of the early CAMT guidance. The CAMT will primarily be transferred. satisfied by tax credits for the 2024 tax year. The CAMT impacts operating cash flows of certain Registrants but will not impact the Registrants' net income. See Note 2 to the financial statements under "Georgia Power – Storm Damage Recovery" for additional information on Georgia Power's storm restoration costs. Also see "Natural Gas Safe Harbor Method" herein and Note 10 to the financial statements for additional information.

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Implementation of the IRA provisions related to existing nuclear generating facilities and CAMT is subject to the issuance of additional guidance by the U.S. Treasury Department and the IRS. The Registrants are still evaluating the impacts, and the ultimate outcome of this matter cannot be determined at this time.

Georgia State Tax Legislation

5.39% effective for the 2024 tax year. This legislation reduced the amount of Southern Company's and certain subsidiaries' income tax expense in the State of Georgia and existing state net accumulated deferred tax liabilities, increased regulatory liabilities at Georgia Power and Southern Company Gas, and reduces Georgia Power's ability to utilize certain state tax credits in the State of Georgia. The legislation did not have a material impact on the net income of the applicable Registrants.

Natural Gas Safe Harbor Method

In April 2023, the IRS issued Revenue Procedure 2023-15, which provides a safe harbor tax method of accounting that taxpayers may use to determine whether certain expenditures to maintain, repair, replace, or improve natural gas transmission and distribution property must be capitalized or allowed as repair deductions. The revenue procedure allows multiple alternatives for implementation which will result in a tax accounting method change for Southern Company Gas' eligible expenditures. Due to On April 30, 2024, the complexity IRS issued Revenue Procedure 2024-23, which gives additional implementation guidance on the natural gas safe harbor tax method of analysis needed and the various implementation options allowed under the revenue procedure, accounting for qualifying repair deductions. Southern Company and Southern Company Gas are still evaluating intend to submit a tax accounting method change for qualifying expenditures with the impacts and filing of the ultimate outcome 2024 federal income tax return. The new tax method of accounting is expected to result in a material net positive cash flow for Southern Company Gas; however, the

timing of this matter cannot positive cash flow will be determined at this time. delayed by application of the CAMT. This method change will not have an impact on the net income of Southern Company and Southern Company Gas. See Note 10 to the financial statements under "Deferred Tax Assets and Liabilities – Tax Credit Carryforwards" for additional information.

General Litigation and Other Matters

The Registrants are involved in various matters being litigated and/or regulatory and other matters that could affect future earnings, cash flows, and/or financial condition. The ultimate outcome of such pending or potential litigation against each Registrant and any subsidiaries or regulatory and other matters cannot be determined at this time; however, for current proceedings and/or matters not specifically reported herein or in Notes 2 and 3 to the financial statements, management does not anticipate that the ultimate liabilities, if any, arising from such current proceedings and/or matters would have a material effect on such Registrant's financial statements. See Notes 2 and 3 to the financial statements for a discussion of various contingencies, including matters being litigated, regulatory matters, and other matters which may affect future earnings potential.

ACCOUNTING POLICIES

Application of Critical Accounting Policies and Estimates

The Registrants prepare their financial statements in accordance with GAAP, which requires the use of estimates, judgments, and assumptions. Significant accounting policies are described in the notes to the financial statements. Detailed further herein are certain estimates made in the application of these policies that may have a material impact on the results of operations, financial condition, and related disclosures of the applicable Registrants (as indicated in the section descriptions herein). Different assumptions and measurements could produce estimates that are significantly different from those recorded in the financial statements. Senior management has reviewed and discussed these critical accounting policies and estimates with the Audit Committee of Southern Company's Board of Directors.

Utility Regulation (Southern Company, Alabama Power, Georgia Power, Mississippi Power, and Southern Company Gas)

The traditional electric operating companies and the natural gas distribution utilities are subject to retail regulation by their respective state PSCs or other applicable state regulatory agencies and wholesale regulation by the FERC. These regulatory agencies set the rates the traditional electric operating companies and the natural gas distribution utilities are permitted to charge customers based on allowable costs, including a reasonable ROE. As a result, the traditional electric operating companies and the natural gas distribution utilities apply accounting standards which require the financial statements to reflect the effects of rate regulation. Through the ratemaking process, the regulators may require the inclusion of costs or revenues in periods different than when they would be recognized by a non-regulated company. This treatment may result in the deferral of expenses and the recording of related regulatory assets based on anticipated future recovery through rates or the deferral of gains or creation of liabilities and the recording of related regulatory liabilities. The application of the accounting standards for rate regulated entities also impacts their financial statements as a result of the estimates of allowable costs used in the ratemaking process. These estimates may differ from those actually incurred by the traditional electric operating companies and the natural gas distribution utilities; therefore, the accounting estimates inherent in specific costs such as depreciation, AROs, and pension and other postretirement benefits have less of a direct impact on the results of operations and financial condition of the applicable Registrants than they would on a non-regulated company. Additionally, a regulatory agency may disallow recovery of all or a portion of certain assets. See Note 2 to the financial statements under "Southern Company Gas – Infrastructure Replacement Programs and Capital Projects – Nicor Gas" for information regarding the disallowance of certain capital investments at Nicor Gas and "Estimated Cost, Schedule, and Rate Recovery for the Construction of Plant Vogtle Units 3 and 4" herein for information regarding the Prudency Stipulation related to Georgia Power's construction of Plant Vogtle Units 3 and 4. Gas.

Revenues related to regulated utility operations as a percentage of total operating revenues in 2023 2024 for the applicable Registrants were as follows: 89% for Southern Company, 98% for Alabama Power, 96% 95% for Georgia Power, 99% for Mississippi Power, and 87% for Southern Company Gas.

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As reflected in Note 2 to the financial statements, significant regulatory assets and liabilities have been recorded. Management reviews the ultimate recoverability of these regulatory assets and any requirement to refund these regulatory liabilities based on applicable regulatory guidelines and GAAP. However, adverse legislative, judicial, or regulatory actions could materially impact

the amounts of such regulatory assets and liabilities and could adversely impact the financial statements of the applicable Registrants.

Estimated Cost, Schedule, and Rate Recovery for the Construction of Plant Vogtle Units 3 and 4 (Southern Company and Georgia Power)

In 2016, the Georgia PSC approved a settlement agreement (Vogtle Cost Settlement Agreement) resolving certain prudency matters in connection with Georgia Power's fifteenth VCM report. In January 2018, the Georgia PSC issued an order approving Georgia Power's seventeenth VCM report, which included a modification of the Vogtle Cost Settlement Agreement. The January 2018 order and the modified Vogtle Cost Settlement Agreement resolved certain regulatory matters related to Plant Vogtle Units 3 and 4 including, but not limited to: (i) Georgia Power's total project capital cost forecast of $7.3 billion (net of $1.7 billion received under the Guarantee Settlement Agreement and approximately $188 million in related customer refunds) was found reasonable and (ii) a prudence proceeding on cost recovery would occur subsequent to achieving fuel load for Unit 4. On December 19, 2023, the Georgia PSC voted to approve Georgia Power's Application as modified by the Prudency Stipulation. Under the terms of the approved Prudency Stipulation, Georgia Power will recover $7.562 billion in total construction and capital costs and associated retail rate base items of $1.02 billion, which includes AFUDC financing costs above $4.418 billion (the Georgia PSC-certified amount) up to $7.562 billion. The approval of the Application and the Prudency Stipulation resolves all issues for determination by the Georgia PSC regarding the reasonableness, prudence, and cost recovery for the remaining Plant Vogtle Units 3 and 4 construction and capital costs not already in retail base rates.

As of December 31, 2023, Georgia Power revised its total project capital cost forecast to $10.8 billion (net of $1.7 billion received under the Guarantee Settlement Agreement and approximately $188 million in related customer refunds). This forecast includes construction contingency of $36 million and is based on the actual in-service date of July 2023 for Unit 3 and a projected in-service date during the second quarter 2024 for Unit 4. Since 2018, established construction contingency and additional costs totaling $2.7 billion have been assigned to the base capital cost forecast. Georgia Power did not seek rate recovery for the $0.7 billion increase to the base capital cost forecast included in the nineteenth VCM report and charged to income by Georgia Power in the second quarter 2018 and, until the prudency proceeding described above, did not seek rate recovery for subsequent construction and additional contingency costs assigned to the base capital cost forecast. After considering the significant level of uncertainty that existed regarding the future recoverability of these costs since the ultimate outcome of these matters was subject to the outcome of assessments by management, as well as Georgia PSC decisions in the related regulatory proceedings, Georgia Power recorded total pre-tax charges to income of $1.1 billion ($0.8 billion after tax) in 2018; $149 million ($111 million after tax) and $176 million ($131 million after tax) in the second quarter and the fourth quarter 2020, respectively; $48 million ($36 million after tax), $460 million ($343 million after tax), $264 million ($197 million after tax), and $480 million ($358 million after tax) in the first quarter 2021, the second quarter 2021, the third quarter 2021, and the fourth quarter 2021, respectively; and $36 million ($27 million after tax), $32 million ($24 million after tax), and $148 million ($110 million after tax) in the second quarter 2022, the third quarter 2022, and the fourth quarter 2022, respectively. As a result of the Georgia PSC's approval of the Prudency Stipulation, Georgia Power recorded a pre-tax credit to income of approximately $228 million ($170 million after tax) in the fourth quarter 2023 to recognize CWIP costs previously charged to income, which are now recoverable through retail rates. Associated AFUDC on these costs was also recognized.

In September 2022, Georgia Power and MEAG Power reached an agreement to resolve a dispute regarding the cost-sharing and tender provisions of the Global Amendments (as defined in Note 2 to the financial statements under "Georgia Power – Nuclear Construction – Joint Owner Contracts"). Under the terms of the agreement, among other items, (i) MEAG Power will not exercise its tender option and will retain its full ownership interest in Plant Vogtle Units 3 and 4; (ii) Georgia Power will reimburse a portion of MEAG Power's costs of construction for Plant Vogtle Units 3 and 4 as such costs are incurred and with no further adjustment for force majeure costs, which payments will total approximately $92 million based on the current project capital cost forecast; and (iii) Georgia Power will reimburse 20% of MEAG Power's costs of construction with respect to any amounts over the current project capital cost forecast, with no further adjustment for force majeure costs.

On October 5, 2023 and October 17, 2023, Georgia Power reached agreements with OPC and Dalton, respectively, to resolve its respective dispute with each of OPC and Dalton regarding the cost-sharing and tender provisions of the Global Amendments. Under the terms of the agreements with OPC and Dalton, among other items, (i) each of OPC and Dalton retracted its exercise of the tender option and will retain its full ownership interest in Plant Vogtle Units 3 and 4, (ii) Georgia Power made payments immediately after execution of the agreements of $308 million and $17 million to OPC and Dalton, respectively, representing payment for a portion of each of OPC's and Dalton's costs of construction for Plant Vogtle Units 3 and 4 previously incurred, (iii) Georgia Power will pay a portion of each of OPC's and Dalton's further costs of construction for Plant Vogtle Units 3 and 4 as such costs are incurred and with no further adjustment for force majeure costs, which payments will be in an aggregate amount of approximately $105 million and $6 million for OPC and Dalton, respectively, based on the current project capital cost forecast,

and (iv) Georgia Power will pay 66% of each of OPC's and Dalton's costs of construction with respect to any amounts above the current project capital cost forecast, with no further adjustment for force majeure costs.

Georgia Power recorded pre-tax charges to income through the fourth quarter 2022 of $407 million ($304 million after tax) associated with the cost-sharing provisions of the Global Amendments, including the settlement with MEAG Power. Based on the current project capital cost forecast and the settlements with OPC and Dalton described above, Georgia Power recorded a pre-tax charge to income of approximately $160 million ($120 million after tax) in the third quarter 2023. These charges are included in the total project capital cost forecast and will not be recovered from retail customers.

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As part of its ongoing processes, Southern Nuclear continues to evaluate cost and schedule forecasts for Unit 4 on a regular basis to incorporate current information available, particularly in the areas of start-up testing and related test results and engineering support.

The projected schedule for Unit 4 significantly depends on the progression of start-up and pre-operational testing, which may be impacted by equipment or other operational failures. Any further delays could result in a later in-service date and cost increases.

Various design and other licensing-based compliance matters may result in additional license amendment requests or require other resolution. If any license amendment requests or other licensing-based compliance issues are not resolved in a timely manner, there may be delays in the Unit 4 project schedule that could result in increased costs.

The ultimate outcome of these matters cannot be determined at this time. However, any extension of the in-service date beyond June 2024 for Unit 4, including the current level of cost sharing described in Note 2, is estimated to result in additional base capital costs for Georgia Power of up to $25 million per month as well as any additional related construction, support resources, or testing costs. Pursuant to the Prudency Stipulation, any further changes to the capital cost forecast will not be recoverable through regulated rates and will be required to be charged to income, and such charges could be material.

Given the significant complexity involved in estimating the future costs to complete construction and start-up of Plant Vogtle Unit 4, as well as the potential impact on results of operations and cash flows, Southern Company and Georgia Power consider these items to be critical accounting estimates. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information.

Accounting for Income Taxes (Southern Company, Georgia Power, Mississippi Power, Southern Power, and Southern Company Gas)

The consolidated income tax provision and deferred income tax assets and liabilities, as well as any unrecognized tax benefits and valuation allowances, require significant judgment and estimates. These estimates are supported by historical tax return data,

reasonable projections of taxable income, the ability and intent to implement tax planning strategies if necessary, and interpretations of applicable tax laws and regulations across multiple taxing jurisdictions. The effective tax rate reflects the statutory tax rates and calculated apportionments for the various states in which the Southern Company system operates.

Southern Company files a consolidated federal income tax return and the Registrants file various state income tax returns, some of which are combined or unitary. Under a joint consolidated income tax allocation agreement, each Southern Company subsidiary's current and deferred tax expense is computed on a stand-alone basis and each subsidiary is allocated an amount of tax similar to that which would be paid if it filed a separate income tax return. return except for certain credit utilization and state apportionment results. In accordance with IRS regulations, each company is jointly and severally liable for the federal tax liability. Certain deductions and credits can be limited or utilized at the consolidated or combined level resulting in tax credit and/or state NOL net operating loss carryforwards that would not otherwise result on a stand-alone basis. Utilization of these carryforwards and the assessment of valuation allowances are based on significant judgment and extensive analysis of Southern Company's and its subsidiaries' current financial position and results of operations, including currently available information about future years, to estimate when future taxable income will be realized. See Note 10 to the financial statements under "Deferred Tax Assets and Liabilities – Tax Credit Carryforwards" and " – Net Operating Loss Carryforwards" for additional information.

Current and deferred state income tax liabilities and assets are estimated based on laws of multiple states that determine the income to be apportioned to their jurisdictions. States have various filing methodologies and utilize specific formulas to calculate the apportionment of taxable income. The calculation of deferred state taxes considers apportionment factors and filing methodologies that are expected to apply in future years. Any apportionments and/or filing methodologies ultimately finalized in a manner inconsistent with expectations could have a material effect on the financial statements of the applicable Registrants.

Asset Retirement Obligations (Southern Company, Alabama Power, Georgia Power, Mississippi Power, and Southern Company Gas)

Estimating AROs requires significant judgment. AROs are computed as the present value of the estimated costs for an asset's future retirement and are recorded in the period in which the liability is incurred. The estimated costs are capitalized as part of the

related long-lived asset and depreciated over the asset's useful life. In the absence of quoted market prices, AROs are estimated using present value techniques in which estimates of future cash outlays associated with the asset retirements are discounted using a credit-adjusted risk-free rate. Estimates of the timing and amounts of future cash outlays are based on projections of when and how the assets will be retired and the cost of future removal activities.

The ARO liabilities for the traditional electric operating companies primarily relate to facilities that are subject to the CCR Rule and the related state rules, principally ash ponds. surface impoundments. In addition, Alabama Power and Georgia Power have retirement obligations related to the decommissioning of nuclear facilities (Alabama Power's Plant Farley and Georgia Power's ownership interests in Plant Plants Hatch and Plant Vogtle Units 1 through 3) Vogtle). Other significant AROs include various landfill sites and asbestos removal for Alabama Power, Georgia Power, and Mississippi Power and gypsum cells and mine reclamation for Mississippi Power.

The traditional electric operating companies and Southern Company Gas also have identified other retirement obligations, such as obligations related to certain electric transmission and distribution facilities, certain asbestos-containing material within long-term assets not subject to ongoing repair and maintenance activities, certain wireless communication towers, the disposal of polychlorinated biphenyls in certain transformers, leasehold improvements, equipment on customer property, and property associated with the Southern Company system's rail lines and natural gas pipelines. However, liabilities for the removal of these assets have not been recorded because the settlement timing for certain

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retirement obligations related to these assets is indeterminable and, therefore, the fair value of the retirement obligations cannot be reasonably estimated. A liability for these retirement obligations will be recognized when sufficient information becomes available to support a reasonable estimation of the ARO.

The cost estimates for AROs related to the disposal of CCR are based on information using various assumptions related to closure and post-closure costs, timing of future cash outlays, inflation and discount rates, and the potential methods for complying with the CCR Rule and the related state rules. The traditional electric operating companies have periodically updated, and expect to continue periodically updating, their related cost estimates and ARO liabilities for each CCR unit as additional information related to these assumptions becomes available. Some of these updates have been, and future updates may be, material. The cost estimates for Alabama Power are based on closure-in-place for all ash ponds. surface impoundments. The cost estimates for Georgia Power and Mississippi Power are based on a combination of closure-in-place for some ash ponds surface impoundments and closure by removal for others. Additionally, the closure designs and plans in the States of Alabama and Georgia are subject to approval by environmental regulatory agencies. See Note 6 to the financial statements and FUTURE EARNINGS POTENTIAL – "Environmental Matters – Environmental Laws and Regulations – Coal Combustion Residuals" herein for additional information, including updates to AROs related to ash ponds surface impoundments recorded during 2023 2024 by certain Registrants.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Pension and Other Postretirement Benefits (Southern Company, Alabama Power, Georgia Power, Mississippi Power, and Southern Company Gas)

The applicable Registrants' calculations of pension and other postretirement benefits expense are dependent on a number of assumptions. These assumptions include discount rates, healthcare cost trend rates, expected long-term rate of return (LRR) on plan assets, mortality rates, expected salary and wage increases, and other factors. Components of pension and other postretirement benefits expense include interest and service cost on the pension and other postretirement benefit plans, expected return on plan assets, and amortization of certain unrecognized costs and obligations. Actual results that differ from the assumptions utilized are accumulated and amortized over future periods and, therefore, generally affect recognized expense and the recorded obligation in future periods. While the applicable Registrants believe the assumptions used are appropriate, differences in actual experience or significant changes in assumptions would affect their pension and other postretirement benefit costs and obligations.

Key elements in determining the applicable Registrants' pension and other postretirement benefit expense are the LRR and the discount rate used to measure the benefit plan obligations and the periodic benefit plan expense for future periods. For purposes of determining the applicable Registrants' liabilities related to the pension and other postretirement benefit plans, Southern Company discounts the future related cash flows using a single-point discount rate for each plan developed from the weighted average of market-observed yields for high quality fixed income securities with maturities that correspond to expected benefit payments. The discount rate assumption impacts both the service cost and non-service costs components of net periodic benefit costs as well as the projected benefit obligations.

The LRR on pension and other postretirement benefit plan assets is based on Southern Company's investment strategy, as described in Note 11 to the financial statements, historical experience, and expectations that consider external actuarial advice, and represents the average rate of earnings expected over the long term on the assets invested to provide for anticipated future benefit payments. Southern Company determines the amount of the expected return on plan assets component of non-service costs by applying the LRR of various asset classes to Southern Company's target asset allocation. The LRR only impacts the non-service costs component of net periodic benefit costs for the following year and is set annually at the beginning of the year.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table illustrates the sensitivity to changes in the applicable Registrants' long-term assumptions with respect to the discount rate, salary increases, and the long-term rate of return on plan assets:

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25 Basis Point Change in:	Increase/(Decrease) in Total Benefit Expense for 2024 2025	Increase/(Decrease) in Projected Obligation for Pension Plan at December 31, 2023 December 31, 2024	Increase/(Decrease) in Projected Obligation for Other Postretirement Benefit Plans at December 31, 2023 December 31, 2024
		(in millions)	
Discount rate:			
Southern Company	$35/ 29/$(32) (24)	$419/ 370/$(397) (351)	$34/ 31/$(32) (30)
Alabama Power	$9/ 8/$(9) (7)	$101/ 89/$(96) (84)	$9/ 8/$(8)
Georgia Power	$9/ 8/$(9) (7)	$122/ 106/$(116) (101)	$11/$(11) (10)
Mississippi Power	$2/ 1/$(1)	$18/ 16/$(18) (16)	$1/$(1)
Southern Company Gas	$2/$(2)	$27/ 24/$(25) (23)	$4/ 3/$(4) (3)
Salaries:			
Southern Company	$18/ 15/$(17) (15)	$87/ 75/$(84) (72)	$–/$–
Alabama Power	$5/(5) 4/$(4)	$24/ 20/$(23) (20)	$–/$–
Georgia Power	$5/(5) 4/$(4)	$23/ 20/$(23) (19)	$–/$–
Mississippi Power	$1/$(1)	$4/ 3/$(4) (3)	$–/$–
Southern Company Gas	$1/$(1)	$3/ 2/$(3) (2)	$–/$–
Long-term return on plan assets:			
Southern Company	$41/ 40/$(41)	N/A	N/A
Alabama Power	$10/$(10)	N/A	N/A
Georgia Power	$13/$(13)	N/A	N/A
Mississippi Power	$2/$(2)	N/A	N/A
Southern Company Gas	$3/$(3)	N/A	N/A

See Note 11 to the financial statements for additional information regarding pension and other postretirement benefits.

Impairment (Southern Company, Alabama Power, Southern Power, and Southern Company Gas)

Goodwill (Southern Company and Southern Company Gas)

The acquisition method of accounting for business combinations requires the assets acquired and liabilities assumed to be recorded at the date of acquisition at their respective estimated fair values. The applicable Registrants have recognized goodwill as of the date of their acquisitions, as a residual over the fair values of the identifiable net assets acquired. Goodwill is recorded at the reporting unit level, which is the operating segment or a business one level below the operating segment (a component), if discrete financial information is prepared and regularly reviewed by management. Components are aggregated if they have similar economic characteristics. Goodwill is tested for impairment at the reporting unit level on an annual basis in the fourth quarter of the year and on an interim basis if events and circumstances occur that indicate goodwill may be impaired.

Goodwill is evaluated for impairment either under the qualitative assessment option or the quantitative option to determine the fair value of the reporting unit. If goodwill is determined to be impaired, an impairment loss measured at the amount by which the reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill, is recorded.

Goodwill for Southern Company and Southern Company Gas was $5.2 billion and $5.0 billion, respectively, at December 31, 2023 December 31, 2024. During 2022, Southern Company recorded a $119 million impairment loss as a result of its annual goodwill impairment test for PowerSecure.

The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can significantly impact the applicable Registrant's results of operations. Fair values and useful lives are determined based on, among other factors, the expected future period of benefit of the asset, the various characteristics of the asset, and projected cash flows. As the determination of an asset's fair value and useful life involves management making certain

estimates and because these estimates form the basis for the determination of whether or not an impairment charge should be recorded, the applicable Registrants consider these estimates to be critical accounting estimates.

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See Note 1 to the financial statements under "Goodwill and Other Intangible Assets" for additional information regarding the applicable Registrants' goodwill.

Long-Lived Assets (Southern Company, Alabama Power, Southern Power, and Southern Company Gas)

The applicable Registrants assess their other long-lived assets for impairment whenever events or changes in circumstances indicate that an asset's carrying amount may not be recoverable. If an impairment indicator exists, the asset is tested for recoverability by comparing the asset carrying amount to the sum of the undiscounted expected future cash flows directly attributable to the asset's use and eventual disposition. If the estimate of undiscounted future cash flows is less than the carrying amount of the asset, the fair value of the asset is determined and a loss is recorded equal to the difference between the carrying amount and the fair value of the asset. In addition, when assets are identified as held for sale, an impairment loss is recognized to the extent the carrying amount of the assets or asset group exceeds their fair value less cost to sell. A high degree of judgment is required in developing estimates related to these evaluations, which are based on projections of various factors, some of which have been quite volatile in recent years.

Southern Power's investments in long-lived assets are primarily generation assets. Excluding See Notes 1 and 15to the natural gas distribution utilities, Southern Company Gas' investments in long-lived assets are primarily natural gas transportation assets.

For Southern Power, examples of impairment indicators could include, but are not limited to, significant changes in construction schedules, current period losses combined with a history of losses or a projection of continuing losses, a significant decrease in market prices, changes in tax legislation, the inability to remarket generating capacity financial statements for an extended period, the unplanned termination of a customer contract, or the inability of a customer to perform under the terms of the contract. For Southern Company Gas, examples of impairment indicators could include, but are not limited to, significant changes in the U.S. natural gas storage market, construction schedules, current period losses combined with a history of losses or a projection of continuing losses, a significant decrease in market prices, the inability to renew or extend customer contracts or the inability of a customer to perform under the terms of the contract, attrition rates, or the inability to deploy a development project. additional information, including recent asset impairments.

As the determination of the expected future cash flows generated from an asset, an asset's fair value, and useful life involves management making certain estimates and because these estimates form the basis for the determination of whether or not an impairment charge should be recorded, the applicable Registrants consider these estimates to be critical accounting estimates.

During 2021, Southern Company recorded impairment charges totaling $7 million ($6 million after tax) related to its leveraged lease investments. During 2022, Southern Company Gas recorded pre-tax impairment charges totaling $131 million ($99 million after tax) related to natural gas storage facilities. During 2021, Southern Company Gas recorded total pre-tax impairment charges of $84 million ($67 million after tax) related to its equity method investment in the PennEast Pipeline project. See Notes 7 and 9 to the financial statements under "Southern Company Gas" and "Southern Company Leveraged Lease," respectively, and Note 15 to the financial statements for additional information on recent asset impairments.

Revenue Recognition (Southern Power)

Southern Power's power sale transactions, which include PPAs, are classified in one of four general categories: leases, normal sale derivatives or contracts with customers, derivatives designated as cash flow hedges, and derivatives not designated as hedges. Southern Power's revenues are dependent upon significant judgments used to determine the appropriate transaction classification, which must be documented upon the inception of each contract. The two categories with the most judgment required for Southern Power are described further below.

Lease Transactions

Southern Power considers the terms of a sales contract to determine whether it should be accounted for as a lease. A contract is or contains a lease if the contract conveys the right to control the use of identified property, plant, or equipment for a period of time in exchange for consideration. If the contract meets the criteria for a lease, Southern Power performs further analysis to determine whether the lease is classified as operating, financing, or sales-type. Generally, Southern Power's power sales contracts that are determined to be leases are accounted for as operating leases and the capacity revenue is recognized on a straight-line basis over the term of the contract and is included in Southern Power's operating revenues. Energy revenues and other contingent revenues are recognized in the period the energy is delivered or the service is rendered. For those contracts that are determined to be sales-type leases, capacity revenues are recognized by accounting for interest income on the net investment in the lease and are included in Southern Power's operating revenues. See Note 9 to the financial statements for additional information.

Normal Sale Derivative Transactions and Contracts with Customers

If the power sales contract is not classified as a lease, Southern Power further considers whether the contract meets the definition of a derivative. If the contract does meet the definition of a derivative, Southern Power will assess whether it can be designated as

a normal sale contract. The determination of whether a contract can be designated as a normal sale contract requires judgment, including whether the sale of electricity involves physical delivery in quantities within Southern Power's available generating capacity and that the purchaser will take quantities expected to be used or sold in the normal course of business.

Contracts that do not meet the definition of a derivative or are designated as normal sales are accounted for as revenue from contracts with customers. For contracts that have a capacity charge, the revenue is generally recognized in the period that it becomes billable. Revenues related to energy and ancillary services are recognized in the period the energy is delivered or the service is rendered. See Note 4 to the financial statements for additional information.

Acquisition Accounting (Southern Power)

Southern Power may acquire generation assets as part of its overall growth strategy. At the time of an acquisition, Southern Power will assess if these assets and activities meet the definition of a business. Acquisitions that meet the definition of a business are accounted for under the acquisition method, whereby the identifiable assets acquired, liabilities assumed, and any noncontrolling interests (including any intangible assets, primarily related to acquired PPAs) are recognized and measured at fair value. Assets

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acquired that do not meet the definition of a business are accounted for as an asset acquisition. The purchase price of each asset acquisition is allocated based on the relative fair value of assets acquired.

Determining the fair value of assets acquired and liabilities assumed requires management judgment and Southern Power may engage independent valuation experts to assist in this process. Fair values are determined by using market participant assumptions and typically include the timing and amounts of future cash flows, incurred construction costs, the nature of acquired contracts, discount rates, power market prices, and expected asset lives. For potential or successful acquisitions that meet the definition of a business, any due diligence or transaction costs incurred are expensed as incurred. If the acquisition is an asset acquisition, direct and incremental transaction costs can be capitalized as a component of the cost of the assets acquired.

See Note 13 to the financial statements for additional fair value information and Note 15 to the financial statements for additional information on recent acquisitions.

Variable Interest Entities (Southern Power)

Southern Power enters into has partnerships with varying ownership structures. Upon entering into these arrangements, membership interests and other variable interests are evaluated to determine if the legal entity is a VIE. If the legal entity is a VIE, Southern Power will assess if it has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE, making it the primary beneficiary. Making this determination may require significant management judgment.

If Southern Power is the primary beneficiary and is considered to have a controlling ownership, the assets, liabilities, and results of operations of the entity are consolidated. If Southern Power is not the primary beneficiary, the legal entity is generally accounted for under the equity method of accounting. Southern Power reconsiders its conclusions as to whether the legal entity is a VIE and whether it is the primary beneficiary for events that impact the rights of variable interests, such as ownership changes in membership interests.

Southern Power has controlling ownership in certain legal entities for which the contractual provisions represent profit-sharing arrangements because the allocations of cash distributions and tax benefits are not based on fixed ownership percentages. For these arrangements, the noncontrolling interest is accounted for under a balance sheet approach utilizing the HLBV method. The HLBV method calculates each partner's share of income based on the change in net equity the partner can legally claim in a an HLBV at the end of the period compared to the beginning of the period.

Contingent Obligations (All Registrants)

The Registrants are subject to a number of federal and state laws and regulations, as well as other factors and conditions that subject them to environmental, litigation, and other risks. See FUTURE EARNINGS POTENTIAL herein and Notes 2 and 3 to the financial statements for more information regarding certain of these contingencies. The Registrants periodically evaluate their exposure to such risks and record reserves for those matters where a non-tax-related loss is considered probable and reasonably estimable. The adequacy of reserves can be significantly affected by external events or conditions that can be unpredictable; thus, the ultimate outcome of such matters could materially affect the results of operations, cash flows, or financial condition of the Registrants.

Recently Issued Accounting Standards

See Note 1 to the financial statements under "Recently Adopted Accounting Standards" for additional information.

FINANCIAL CONDITION AND LIQUIDITY

Overview

The financial condition of each Registrant remained stable at December 31, 2023 December 31, 2024. The Registrants' cash requirements primarily consist of funding ongoing operations, including unconsolidated subsidiaries, as well as common stock dividends, capital expenditures, and debt maturities. Southern Power's cash requirements also include distributions to noncontrolling interests. Capital expenditures and other investing activities for the traditional electric operating companies include investments to build new generation facilities to meet projected long-term demand requirements and to replace units being retired as part of the generation fleet transition, to maintain existing generation facilities, to comply with environmental regulations including adding environmental modifications to certain existing generating units and closures of ash ponds, surface impoundments, to expand and improve transmission and distribution facilities, and for restoration following major storms. Southern Power's capital expenditures and other investing activities may include acquisitions or new construction associated with its overall growth strategy and to maintain its existing generation fleet's performance. Southern Company Gas' capital expenditures and other investing activities include investments to meet projected long-term demand requirements, to maintain existing natural gas transmission and distribution

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systems as well as to update and expand these systems, and to comply with environmental regulations. See "Cash Requirements" herein for additional information.

Operating cash flows provide a substantial portion of the Registrants' cash needs. During 2023, 2024, Southern Power utilized federal tax credits, credit carryforwards, which provided $332 million $75 million in operating cash flows. For the three-year period from 2024 2025 through 2026, 2027, each Registrant's projected stock dividends, capital expenditures, and debt maturities, as well as distributions to noncontrolling interests for Southern Power, are expected to exceed its operating cash flows for each of Southern Company, the traditional electric operating companies, and Southern Company Gas. flows. Southern Company plans to finance future cash needs in excess of its operating cash flows through one or more of the following: accessing borrowings from financial institutions, issuing debt, and equity, and/or hybrid securities in the capital markets, and/or through its stock plans. plans and its continuous equity offering program. Each Subsidiary Registrant plans to finance its future cash needs in excess of its operating cash flows primarily through external securities issuances, borrowings from financial institutions, and equity contributions from Southern Company. In addition, Southern Power may utilize tax equity partnership contributions. The Registrants plan to use commercial paper to manage seasonal variations in operating cash flows and for other working capital needs and continue to monitor their access to short-term and long-term capital markets as well as their bank credit arrangements to meet future capital and liquidity needs. See "Sources of Capital" and "Financing Activities" herein for additional information.

The See Note 11 to the financial statements under "Pension Plans" for information on the Registrants' investments in their qualified pension plans and Alabama Power's and Georgia Power's investments in their nuclear decommissioning trust funds increased in value at December 31, 2023 as compared to December 31, 2022. plans. No contributions to the qualified pension plan were made during 2023 and no mandatory contributions to the qualified pension plans are anticipated during 2024. 2025. See Notes Note 6 and 11 to the financial statements under "Nuclear Decommissioning" for information on Alabama Power's and "Pension Plans," respectively, for additional information. Georgia Power's investments in their respective nuclear decommissioning trust funds.

At the end of 2023, 2024, the market price of Southern Company's common stock was $70.12 $82.32 per share (based on the closing price as reported on the NYSE) and the book value was $28.83 $30.28 per share, representing a market-to-book value ratio of 243% 272%, compared to $71.41, $27.93, $70.12, $28.83, and 256% 243%, respectively, at the end of 2022. 2023.

Cash Requirements

Capital Expenditures

Total estimated capital expenditures, including LTSA and nuclear fuel commitments, for the Registrants through 2028 2029 based on their current construction programs are as follows:

	2024	2025	2026	2027	2028
	2025	2026	2027	2028	2029
					(in billions)
Southern Company(b) (d)					
Alabama Power (a)					
Georgia Power(a) (b)					
Mississippi Power					
Southern Power(b) (c)					
Southern Company Gas (d)					

(a) Includes expenditures of approximately $0.2 billion amounts contingent upon approval by the Alabama PSC related to Alabama Power's October 2024 CCN filing totaling $640 million in 2024 for the construction of Plant Vogtle Unit 4. 2025, $23 million in 2026, $15 million in 2027, $13 million in 2028, and $107 million in 2029. See Note 2 to the financial statements under "Georgia "Alabama Power – Nuclear Construction" Petition for Certificate of Convenience and Necessity" for additional information. Also includes certain

(b) Includes committed expenditures in 2025 related to generation construction projects Georgia Power has bid through an RFP as initiated in the construction 2022 IRP. Excludes all other expenditures not yet approved of Plant Yates Units 8 up to $14 billion, excluding AFUDC, for Georgia Power-owned proposals in RFPs and related transmission investments through 10 as requested in Georgia Power's 2023 IRP Update filing, which is subject to the approval of the Georgia PSC. 2029. See Note 2 to the financial statements under "Georgia Power – Integrated Resource Plans" for additional information.

(b) (c) Includes $0.4 billion and $0.1 billion in both 2024 2025 and 2025 2026, respectively, related to the South Cheyenne and Millers Branch solar projects. project and $0.3 billion and $0.1 billion in 2025 and 2026, respectively, related to the Kay Wind repowering project. Excludes approximately $0.7 billion per year for 2025 and 2026 and $0.8 billion annually per year for 2027 through 2029 for Southern Power's planned acquisitions and placeholder growth, which may vary materially due to market opportunities and Southern Power's ability to execute its growth strategy. Also excludes estimated capital expenditures associated with the phase two expansion of the Millers Branch solar project, which was committed to subsequent to December 31, 2023. See Note 15 to the financial statements under "Southern Power" for additional information regarding the South Cheyenne and Millers Branch solar projects. project and the Kay Wind repowering project.

(d) Includes gas pipeline investment of approximately $0.1 billion, $0.2 billion, $0.7 billion, $0.4 billion, and $0.2 billion for 2025 through 2029, respectively. See FUTURE EARNINGS POTENTIAL – "Construction Programs" herein for information regarding this project.

These capital expenditures include estimates to comply with environmental laws and regulations, but do not include compliance costs associated with potential regulation of GHG emissions or the proposed ELG Supplemental Rule. emissions. See FUTURE EARNINGS POTENTIAL – "Environmental Matters" herein for additional information. At December 31, 2023 December 31, 2024, significant purchase commitments were outstanding in connection with the Registrants' construction programs.

The traditional electric operating companies also anticipate continued expenditures associated with closure and monitoring of ash ponds surface impoundments and landfills in accordance with the CCR Rule and the related state rules, which are reflected in the applicable Registrants' ARO liabilities. The cost estimates for Alabama Power are based on closure-in-place for all ash ponds. surface

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impoundments. The cost estimates for Georgia Power and Mississippi Power are based on a combination of closure-in-place for some ash ponds surface impoundments and closure by removal for others. These estimated costs are likely to change, and could change materially, as assumptions and details pertaining to closure are refined and compliance activities continue. Current estimates of these costs through 2028 2029 are provided in the table below. Material expenditures in future years for ARO settlements will also be required for ash ponds, surface impoundments, nuclear decommissioning (for Alabama Power and Georgia Power), and other liabilities reflected in the applicable Registrants' AROs, as discussed further in Note 6 to the financial statements. Also see FUTURE EARNINGS POTENTIAL – "Environmental Matters – Environmental Laws and Regulations – Coal Combustion Residuals" herein.

	2024	2025	2026	2027	2028
	2025	2026	2027	2028	2029
				(in millions)	
Southern Company					
Alabama Power					
Georgia Power					
Mississippi Power					

The construction programs are subject to periodic review and revision, and actual construction costs may vary from these estimates because of numerous factors. These factors include: changes in business conditions; changes in load projections; changes in environmental laws and regulations; the outcome of any legal challenges to environmental rules; changes in electric generating plants, including unit retirements and replacements and adding or changing fuel sources at existing electric generating units, to meet regulatory requirements; changes in FERC rules and regulations; state regulatory agency approvals; changes in the expected environmental compliance program; changes in legislation, regulation, and/or regulation; tariff policy; the cost, availability, and efficiency of construction labor, equipment, and materials; project scope and design changes; abnormal weather; delays in construction due to judicial or regulatory action; storm impacts; and the cost of capital. In addition, there can be no assurance that costs related to capital expenditures and AROs will be fully recovered. Additionally, expenditures associated with Southern Power's planned

acquisitions may vary due to market opportunities and the execution of its growth strategy. See Note 15 to the financial statements under "Southern Power" for additional information regarding Southern Power's plant acquisitions and construction projects.

The construction program of Georgia Power includes Plant Vogtle Unit 4, which includes components based on new technology that only within the last several years began initial operation in the global nuclear industry at this scale and which may be subject to additional revised cost estimates during construction. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for information regarding Plant Vogtle Unit 4 and additional factors that may impact construction expenditures.

See FUTURE EARNINGS POTENTIAL – "Construction Programs" herein for additional information.

Other Significant Cash Requirements

Long-term debt maturities and the interest payable on long-term debt each represent a significant cash requirement for the Registrants. See Note 8 to the financial statements for information regarding the Registrants' long-term debt at December 31, 2023 December 31, 2024, the weighted average interest rate applicable to each long-term debt category, and a schedule of long-term debt maturities over the next five years. The Registrants plan to continue, when economically feasible, to retire higher-cost securities and replace these obligations with lower-cost capital if market conditions permit.

Fuel and purchased power costs represent a significant component of funding ongoing operations for the traditional electric operating companies and Southern Power. See Note 3 to the financial statements under "Commitments" for information on Southern Company Gas' commitments for pipeline charges, storage capacity, and gas supply. Total estimated costs for fuel and purchased power commitments at December 31, 2023 December 31, 2024 for the applicable Registrants are provided in the table below. Fuel costs include purchases of coal (for the traditional electric operating companies) and natural gas (for the traditional electric operating companies and Southern Power), as well as the related transportation and storage. In most cases, these contracts contain provisions for price escalation, minimum purchase levels, and other financial commitments. Natural gas purchase commitments are based on various indices at the time of delivery; the amounts reflected below have been estimated based on the NYMEX future prices at December 31, 2023 December 31, 2024. As discussed under "Capital Expenditures" herein, estimated expenditures for nuclear fuel are included in the applicable Registrants' construction programs for the years 2024 2025 through 2028. 2029. Nuclear fuel commitments at December 31, 2023 December 31, 2024 that extend beyond 2028 2029 are

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included in the table below. Purchased power costs represent estimated minimum obligations for various PPAs for the purchase of capacity and energy, except for those accounted for as leases, which are discussed in Note 9 to the financial statements.

	2024	2025	2026	2027	2028	Thereafter
	2025	2026	2027	2028	2029	Thereafter
				(in millions)		
Southern Company(*)						
Alabama Power						
Georgia Power(*)						
Mississippi Power						
Southern Power						

(*) Excludes capacity payments related to Plant Vogtle Units 1 and 2, which are discussed in Note 3 to the financial statements under "Commitments."

In connection with Georgia Power's 2022 IRP, the Georgia PSC approved five affiliate PPAs with Southern Power, which are expected to be accounted for as leases, and are contingent upon approval by the FERC. The expected capacity payments associated with the PPAs total $5 million in 2024, $68 million in 2025, $75 million in 2026, $76 million in 2027, $86 million in 2028, and $584 million thereafter. In connection with Georgia Power's 2023 IRP Update, Georgia Power has requested certification of a non-affiliate PPA, which is expected to be accounted for as a lease and is contingent upon approval by the Georgia PSC. The expected capacity payments associated with the PPA are $10 million in 2024, $17 million in 2025, $18 million in 2026, $19 million in 2027, and $19 million in 2028. See Note 2 to the financial statements under "Georgia Power – Integrated Resource Plans" for additional information.

The traditional electric operating companies and Southern Power have entered into LTSAs for the purpose of securing maintenance support for certain of their generating facilities. See Note 1 to the financial statements under "Long-term Service Agreements" for additional information. As discussed under "Capital Expenditures" herein, estimated expenditures related to LTSAs are included in the applicable Registrants' construction programs for the years 2024 2025 through 2028. 2029. Total estimated payments for LTSA commitments at December 31, 2023 December 31, 2024 that extend beyond 2028 2029 are provided in the following table and include price escalation based on inflation indices:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power
					(in millions)						
LTSA commitments (after 2028)											
LTSA commitments (after 2029)											

In addition, Southern Power has certain other operations and maintenance agreements. Total estimated costs for these commitments at December 31, 2023 December 31, 2024 are provided in the table below.

	2024	2025	2026	2027	2028	Thereafter
	2025	2026	2027	2028	2029	Thereafter
					(in millions)	
Southern Power's operations and maintenance agreements						

Southern Company Gas has commitments for pipeline charges, storage capacity, and gas supply, including charges recoverable through natural gas cost recovery mechanisms or, alternatively, billed to marketers selling retail natural gas. Gas supply commitments include amounts for gas commodity purchases associated with Nicor Gas and SouthStar of 39 million mmBtu at floating gas prices calculated using forward natural gas prices at December 31, 2024 and valued at $136 million. Southern Company Gas' expected future contractual obligations for pipeline charges, storage capacity, and gas supply that are not recognized on the balance sheets at December 31, 2024 were as follows:

	Pipeline Charges, Storage Capacity, and Gas Supply
	(in millions)
2025	$ 643
2026	374
2027	204
2028	197
2029	221
Thereafter	2,859
Total	$ 4,498

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See Note 9 to the financial statements for information on the Registrants' operating lease obligations, including a maturity analysis of the lease liabilities over the next five years and thereafter.

Sources of Capital

Southern Company intends to meet its future capital needs through operating cash flows, borrowings from financial institutions, and debt, hybrid, and/or equity issuances. Equity capital can be provided from any combination of Southern Company's stock plans, private placements, or public offerings.

The Subsidiary Registrants plan to obtain the funds to meet their future capital needs from sources similar to those they used in the past, which were primarily from operating cash flows, external securities issuances, borrowings from financial institutions, and equity contributions from Southern Company. Operating cash flows provide a substantial portion of the Registrants' cash needs. Georgia Power intends to utilize a mix of senior note issuances, short-term floating rate bank loans, and commercial paper issuances to continue funding operating cash flows related to fuel cost under recovery.

The amount, type, and timing of any financings in 2024, 2025, as well as in subsequent years, will be contingent on investment opportunities and the Registrants' capital requirements and will depend upon prevailing market conditions, regulatory approvals (for certain of the Subsidiary Registrants), and other factors. See "Cash Requirements" herein for additional information.

Southern Power utilizes tax equity partnerships as one of its financing sources, where the tax partner takes significantly all of the federal tax benefits. These tax equity partnerships are consolidated in Southern Power's financial statements and are accounted for using HLBV methodology to allocate partnership gains and losses. During 2023, Southern Power obtained tax equity funding for existing tax equity partnerships totaling $21 million. See Notes 1 and 15 to the financial statements under "General" and "Southern Power," respectively, for additional information.

The issuance of securities by the traditional electric operating companies and Nicor Gas is generally subject to the approval of the applicable state PSC or other applicable state regulatory agency. The issuance of all securities by Mississippi Power and short-term securities by Georgia Power is generally subject to regulatory approval by the FERC. Additionally, with respect to the public offering of securities, Southern Company, the traditional electric operating companies, and Southern Power (excluding its subsidiaries), Southern Company Gas Capital, and Southern Company Gas (excluding its other subsidiaries) file registration statements with the SEC under the Securities Act of 1933, as amended (1933 Act). The amounts of securities authorized by the appropriate regulatory authorities, as well as the securities registered under the 1933 Act, are closely monitored and appropriate filings are made to ensure flexibility in the capital markets. amended.

The Registrants generally obtain financing separately without credit support from any affiliate. See Note 8 to the financial statements under "Bank Credit Arrangements" for additional information. The Southern Company system does not maintain a centralized cash or money pool. Therefore, funds of each company are not commingled with funds of any other company in the Southern Company system, except in the case of Southern Company Gas, as described below.

The traditional electric operating companies and SEGCO may utilize a Southern Company subsidiary organized to issue and sell commercial paper at their request and for their benefit. Proceeds from such issuances for the benefit of an individual company are loaned directly to that company. The obligations of each traditional electric operating company and SEGCO under these

arrangements are several and there is no cross-affiliate credit support. Alabama Power also maintains its own separate commercial paper program.

Southern Company Gas Capital obtains external financing for Southern Company Gas and its subsidiaries, other than Nicor Gas, which obtains financing separately without credit support from any affiliates. Southern Company Gas maintains commercial paper programs at Southern Company Gas Capital and Nicor Gas. Nicor Gas' commercial paper program supports its working capital needs as Nicor Gas is not permitted to make money pool loans to affiliates. All of the other Southern Company Gas subsidiaries benefit from Southern Company Gas Capital's commercial paper program.

By regulation, Nicor Gas is restricted, up to its retained earnings balance, in the amount it can dividend or loan to affiliates and is not permitted to make money pool loans to affiliates. At December 31, 2023 December 31, 2024, the amount of subsidiary retained earnings restricted to dividend totaled $1.7 billion $1.6 billion. This restriction did not impact Southern Company Gas' ability to meet its cash obligations, nor does management expect such restriction to materially impact Southern Company Gas' ability to meet its currently anticipated cash obligations.

Certain Registrants' current liabilities frequently exceed their current assets because of long-term debt maturities and the periodic use of short-term debt as a funding source, as well as significant seasonal fluctuations in cash needs. The Registrants generally plan to refinance long-term debt as it matures. See Note 8 to the financial statements for additional information. Also see "Financing Activities" herein for information on financing activities that occurred subsequent to December 31, 2023 December 31, 2024. The following table shows the amount by which current liabilities exceeded current assets at December 31, 2023 December 31, 2024 for the applicable Registrants:

At December 31, 2023				
At December 31, 2023				
At December 31, 2023	Southern Company	Georgia Power	Mississippi Power	Southern Company Gas

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At December 31, 2024							
At December 31, 2024							
At December 31, 2024	Southern Company	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas		
			(in millions)			*(in millions)*	*(in millions)*
Current liabilities in excess of current assets							

The Registrants believe the need for working capital can be adequately met by utilizing operating cash flows, as well as commercial paper, lines of credit, and short-term bank notes, as market conditions permit. In addition, under certain circumstances, the Subsidiary Registrants may utilize equity contributions and/or loans from Southern Company.

Bank Credit Arrangements

At December 31, 2023 December 31, 2024, the Registrants' unused committed credit arrangements with banks were as follows:

At December 31, 2023	Southern Company parent	Alabama Power	Georgia Power	Mississippi Power	Southern Power[a]	Southern Company Gas[b]	SEGCO	Southern Company
At December 31, 2024	Southern Company parent	Alabama Power[a]	Georgia Power	Mississippi Power	Southern Power[b]	Southern Company Gas[c]	SEGCO	Southern Company
						(in millions)		
Unused committed credit								

(a) Includes $14 million at Alabama Property Company, a wholly-owned subsidiary of Alabama Power. Alabama Power is not party to this arrangement.

(b) At December 31, 2023 December 31, 2024, Southern Power also had two continuing letters of credit facilities for standby letters of credit, of which $15 million $27 million was unused. Southern Power's subsidiaries are not parties to its bank credit arrangements or letter of credit facilities.

(b) (c) Includes $798 million and $800 million at Southern Company Gas Capital and Nicor Gas, respectively.

Subject to applicable market conditions, the Registrants, Nicor Gas, and SEGCO expect to renew or replace their bank credit arrangements as needed, prior to expiration. In connection therewith, the Registrants, Nicor Gas, and SEGCO may extend the maturity dates and/or increase or decrease the lending commitments thereunder.

A portion of the unused credit with banks is allocated to provide liquidity support to certain revenue bonds of the traditional electric operating companies and the commercial paper programs of the Registrants, Nicor Gas, and SEGCO. At December 31, 2023 December 31, 2024, outstanding variable rate demand revenue bonds of the traditional electric operating companies with allocated liquidity support totaled approximately $1.7 billion (comprised of approximately $818 million $796 million at Alabama Power, $819 million at Georgia Power, and $69 million at Mississippi Power). In addition, at December 31, 2023 December 31, 2024, Alabama Power and Georgia Power had approximately $325 million $207 million and $157 million, respectively, of fixed rate revenue bonds outstanding that are required to be remarketed within the next 12 months. The Alabama Power's $207 million of fixed rate revenue bonds are classified as securities due within one year on its balance sheet as they are not covered by long-term committed credit. All other variable rate demand revenue bonds and fixed rate revenue bonds required to be remarketed within the next 12 months are classified as long-term debt on the balance sheets as a result of available long-term committed credit.

See Note 8 to the financial statements under "Bank Credit Arrangements" for additional information.

Short-term Borrowings

The Registrants, Nicor Gas, and SEGCO make short-term borrowings primarily through commercial paper programs that have the liquidity support of the committed bank credit arrangements described above. Southern Power's subsidiaries are not issuers or obligors under its commercial paper program. Commercial paper and short-term bank term loans are included in notes payable in the balance sheets. Details of the Registrants' short-term borrowings were as follows:

	Short-term Debt at the End of the Period	
	Amount Outstanding	Weighted Average Interest Rate
	December 31,	December 31,

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	2023	2022	2021	2023	2022	2021
	(in millions)					
Southern Company	$ 2,314	$ 2,609	$ 1,440	5.7 %	4.9 %	0.4 %
Alabama Power	40	—	—	5.5	—	—
Georgia Power	1,329	1,600	—	5.9	5.0	—
Southern Power	138	225	211	5.5	4.7	0.3
Southern Company Gas:						
Southern Company Gas Capital	$ 23	$ 285	$ 379	5.5 %	4.8 %	0.3 %
Nicor Gas	392	483	830	5.5	4.7	0.4
Southern Company Gas Total	$ 415	$ 768	$ 1,209	5.5 %	4.7 %	0.4 %

	Short-term Debt During the Period(*)								
	Average Amount Outstanding			Weighted Average Interest Rate			Maximum Amount Outstanding		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
	(in millions)						*(in millions)*		
Southern Company	$ 2,191	$ 1,995	$ 1,141	5.6 %	2.2 %	0.3 %	$ 3,270	$ 2,894	$ 1,809
Alabama Power	44	6	27	5.0	2.1	0.1	230	200	200
Georgia Power	1,440	673	95	5.8	3.1	0.2	2,260	1,710	407
Mississippi Power	56	8	15	5.5	1.6	0.2	169	71	81
Southern Power	158	166	133	5.6	2.3	0.2	359	350	520
Southern Company Gas:									
Southern Company Gas Capital	$ 163	$ 279	$ 206	5.3 %	1.8 %	0.2 %	$ 440	$ 547	$ 485
Nicor Gas	88	349	420	5.1	2.1	0.4	483	830	897
Southern Company Gas Total	$ 251	$ 628	$ 626	5.2 %	2.0 %	0.4 %			

(*) Average and maximum amounts are based upon daily balances during the 12-month periods ended December 31, 2023, 2022, and 2021.

	Short-term Debt at the End of the Period					
	Amount Outstanding			Weighted Average Interest Rate		
	December 31,			December 31,		
	2024	2023	2022	2024	2023	2022
		(in millions)				
Southern Company	**$ 1,338**	$ 2,314	$ 2,609	**4.8 %**	5.7 %	4.9 %
Alabama Power	**—**	40	—	**—**	5.5	—
Georgia Power	**200**	1,329	1,600	**5.3**	5.9	5.0
Mississippi Power	**14**	—	—	**4.6**	—	—
Southern Power	**—**	138	225	**—**	5.5	4.7
Southern Company Gas:						
Southern Company Gas Capital	**$ 283**	$ 23	$ 285	**4.7 %**	5.5 %	4.8 %
Nicor Gas	**172**	392	483	**4.6**	5.5	4.7
Southern Company Gas Total	**$ 455**	$ 415	$ 768	**4.7 %**	5.5 %	4.7 %

	Short-term Debt During the Period(*)								
	Average Amount Outstanding			Weighted Average Interest Rate			Maximum Amount Outstanding		
	2024	2023	2022	2024	2023	2022	2024	2023	2022

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	(in millions)							*(in millions)*				
Southern Company	**$ 1,606**	$ 2,191	$ 1,995	**5.6 %**	5.6 %	2.2 %		**$ 3,211**	$ 3,270	$ 2,894		
Alabama Power	**50**	44	6	**5.5**	5.0	2.1		**250**	230	200		
Georgia Power	**560**	1,440	673	**6.0**	5.8	3.1		**1,422**	2,260	1,710		
Mississippi Power	**40**	56	8	**5.4**	5.5	1.6		**154**	169	71		
Southern Power	**125**	158	166	**5.4**	5.6	2.3		**256**	359	350		
Southern Company Gas:												
Southern Company Gas Capital	**$ 95**	$ 163	$ 279	**5.3 %**	5.3 %	1.8 %		**$ 405**	$ 440	$ 547		
Nicor Gas	**141**	88	349	**5.3**	5.1	2.1		**397**	483	830		
Southern Company Gas Total	**$ 236**	$ 251	$ 628	**5.3 %**	5.2 %	2.0 %						

(*) Average and maximum amounts are based upon daily balances during the 12-month periods ended December 31, 2024, 2023, and 2022.

Analysis of Cash Flows

Net cash flows provided from (used for) operating, investing, and financing activities in 2023 2024 and 2022 2023 are presented in the following table:

Net cash provided from (used for):	**Net cash provided from (used for):**	**Southern Company**	**Alabama Power**	**Georgia Power**	**Mississippi Power**	**Southern Power**	**Southern Company Gas**	**Net cash provided from (used for):**	**Southern Company**	**Alabama Power**	**Georgia Power**	**Mississippi Power**	**Southern Power**	**Southern Company Gas**
		(in millions)												
2023														
2024														
Operating activities														
Operating activities														
Operating activities														
Investing activities														
Financing activities														
2022														
2022														
2022														
2023														
2023														
2023														
Operating activities														
Operating activities														
Operating activities														
Investing activities														
Financing activities														

Fluctuations in cash flows from financing activities vary from year to year based on capital needs and the maturity or redemption of securities.

Southern Company

Net cash provided from operating activities increased $1.3 billion $2.2 billion in 2023 2024 as compared to 2022 2023 primarily due to the timing of vendor payments, increased retail fuel cost recovery primarily at Georgia Power, and the timing of fossil fuel stock purchases, partially offset by the timing of customer receivable collections, partially offset by storm restoration costs at Georgia Power, and decreased natural gas cost recovery at the timing of vendor payments. natural gas distribution utilities.

The net cash used for investing activities in 2023 2024 and 2022 2023 was primarily related to the Subsidiary Registrants' construction programs.

The net cash used for financing activities in 2024 was primarily related to common stock dividend payments, a reduction in commercial paper borrowings, and a net decrease in short-term borrowings, partially offset by net issuances of long-term debt. The net cash provided from financing activities in 2023 was primarily related to net issuances of long-term debt and an increase in commercial paper borrowings, partially offset by common stock dividend payments and net repayments of short-term bank loans. The net cash provided from financing activities in 2022 was primarily related

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Alabama Power

Net cash provided from operating activities increased $440 million $816 million in 2023 2024 as compared to 2022 2023 primarily due to an increase in fuel cost recovery and retail revenues associated with customer bill credits in 2023, the timing of customer receivable collections, partially offset by fossil fuel stock purchases, and the timing of vendor payments, and partially offset by a decrease in fuel stock purchases. cost recovery.

The net cash used for investing activities in 2023 2024 and 2022 2023 was primarily related to gross property additions, including approximately $79 million and $211 million, respectively, related to the construction of Plant Barry Unit 8 and, for 2022, $171 million related to the acquisition of the Calhoun Generating Station. in 2023. See Notes Note 2 and 15 to the financial statements under "Alabama Power" for additional information.

The net cash used for financing activities in 2024 was primarily related to common stock dividend payments, partially offset by capital contributions from Southern Company. The net cash used for financing activities in 2023 was primarily related to common stock dividend payments, largely offset by net issuances of long-term debt and capital contributions from Southern Company. The net cash provided from financing activities in 2022 was primarily related to net long-term debt issuances and capital contributions from Southern Company, partially offset by common stock dividend payments and preferred stock redemptions.

Georgia Power

Net cash provided from operating activities increased $714 million $2.0 billion in 2023 2024 as compared to 2022 2023 primarily due to the timing of vendor payments, increased fuel cost recovery, and fossil fuel stock purchases, partially offset by storm restoration costs and the timing of vendor payments. customer receivable collections.

The net cash used for investing activities in 2023 2024 and 2022 2023 was primarily related to gross property additions, including approximately $1.1 billion $0.2 billion and $1.0 billion $1.1 billion, respectively, related to the construction and completion of Plant Vogtle Units 3 and 4. See Note 2 to the financial statements under "Georgia Power – Nuclear Construction" for additional information on construction of Plant Vogtle Units 3 and 4.

senior notes, partially offset by common stock dividend payments, a reduction in commercial paper borrowings, and a net decrease in short-term borrowings. The net cash provided from financing activities in 2023 was primarily related to capital contributions from Southern Company, net issuances of senior notes, an increase in commercial paper borrowings, and reofferings of pollution control revenue bonds which were previously held by Georgia Power, partially offset by common stock dividend payments and a net decrease in short-term borrowings. The net cash provided from financing activities in 2022 was primarily related to a net increase in short-term bank debt, capital contributions from Southern Company, and net issuances of senior notes, partially offset by common stock dividend payments.

Mississippi Power

Net cash provided from operating activities decreased $14 million increased $37 million in 2023 2024 as compared to 2022 2023 primarily due to the timing of vendor payments and increased retail fuel cost recovery, partially offset by a decrease in power pool sales and the timing of customer receivable collections.

The net cash used for investing activities in 2023 2024 and 2022 2023 was primarily related to gross property additions.

The net cash used for financing activities in 2024 was primarily related to common stock dividend payments, partially offset by capital contributions from Southern Company and net issuances of senior notes. The net cash used for financing activities in 2023 was primarily related to common stock dividend payments, partially offset by the issuance of senior notes. The net cash used for financing activities in 2022 was primarily related to common stock dividend payments, partially offset by capital contributions from Southern Company and the issuance of revenue bonds.

Southern Power

Net cash provided from operating activities increased $281 million decreased $388 million in 2023 2024 as compared to 2022 2023 primarily due to an increase in the utilization of federal tax credits credit carryforwards and the timing of customer receivable collections, partially offset by the timing of vendor payments.

The net cash used for investing activities in 2024 was primarily related to ongoing construction activities. The net cash used for investing activities in 2023 was primarily related to the acquisitions of the South Cheyenne and Millers Branch solar facilities and ongoing construction activities. The net cash used for investing activities in 2022 was primarily related to ongoing construction activities. See Note 15 to the financial statements under "Southern Power" for additional information.

The net cash used for financing activities in 2024 was primarily related to common stock dividend payments, net distributions to noncontrolling interests, and a reduction in commercial paper borrowings, partially offset by capital contributions from Southern Company. The net cash used for financing activities in 2023 was primarily related to the repayment of senior notes at maturity, common stock dividend payments, net distributions to noncontrolling interests, and net repayments of short-term debt. The net cash used for financing activities in 2022 was primarily related to the repayment of senior notes at maturity, common stock dividend payments, and net capital distributions to noncontrolling interests, partially offset by capital contributions from Southern Company.

Southern Company Gas

Net cash provided from operating activities increased $243 million decreased $210 million in 2023 2024 as compared compared to 2022 2023 primarily due to the timing of customer receivable collections, a reduction in natural gas cost recovery as well as a decrease in receivables, partially offset by the timing a decrease in payables for natural gas, both as a result of vendor payments. significantly lower gas prices in 2024 and weather impacts.

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The net cash used for investing activities in 2023 2024 and 2022 2023 was primarily related to construction of transportation and distribution assets recovered through base rates and infrastructure investment recovered through replacement programs at certain gas distribution operations, operations.

The net cash provided from financing activities in 2024 was primarily related to the issuance of senior notes and first mortgage bonds, partially offset by proceeds from dispositions. See Note 15 to the financial statements for additional information.

common stock dividend payments. The net cash used for financing activities in 2023 was primarily related to repayment of short-term borrowings and common stock dividend payments, partially offset by net issuances of long-term debt and capital contributions from Southern Company. The net cash provided from financing activities in 2022 was primarily related to net issuances of long-term debt and capital contributions from Southern Company, partially offset by common stock dividend payments and a decrease in short-term borrowings.

Significant Balance Sheet Changes

Southern Company

Significant balance sheet changes in 2023 2024 for Southern Company included:

- an increase of $5.3 billion $4.8 billion in total property, plant, and equipment primarily related to the Subsidiary Registrants' construction programs;
- an increase of $4.7 billion $3.8 billion in long-term debt (including securities due within one year) related to new issuances;
- a decrease net issuances of $1.2 billion in cash and cash equivalents, as discussed further under "Analysis senior notes, partially offset by the maturity of Cash Flows – Southern Company" herein; junior subordinated notes;
- an increase of $1.0 billion $1.8 billion in total common stockholders' equity primarily related to net income, partially offset by common stock dividend payments;
- a decrease of $1.0 billion in notes payable due to a reduction in commercial paper borrowings and net repayments of short-term bank debt;
- an increase of $1.0 billion $0.8 billion in accounts payable primarily related to the timing of vendor payments and storm restoration costs at Georgia Power;
- a decrease of $0.8 billion in deferred under recovered fuel clause revenues primarily due to increased fuel cost recovery at Georgia Power;
- an increase of $0.8 billion in other regulatory assets, deferred primarily related to storm restoration costs at Georgia Power;
- an increase of $0.7 billion in accumulated deferred income taxes primarily related to an increase in property-related and storm damage timing differences and the expected utilization of ITCs;
- a decrease of $0.6 billion in accounts payable primarily related to the timing of vendor payments;

- a decrease of $0.6 billion in deferred credits related to income taxes primarily due to the flowback of excess deferred income taxes; differences; and
- a decrease an increase of $0.5 billion $0.6 billion in AROs prepaid pension costs primarily due related to cost estimate updates at Georgia Power for ash pond closures. actuarial gains resulting from increases in the assumed discount rates and actual returns on plan assets.

See "Financing Activities" herein and Notes 1,2, 5, 6, 8, and 10 to the financial statements for additional information.

Alabama Power

Significant balance sheet changes in 2023 2024 for Alabama Power included:

- an increase of $0.8 billion in total property, plant, and equipment primarily related to the construction of Plant Barry Unit 8 and construction of distribution and transmission facilities;
- an increase of $0.6 billion $755 million in total common stockholder's equity primarily due to net income and capital contributions from Southern Company, partially offset by dividends paid to Southern Company;
- an increase of $0.6 billion $664 million in long-term debt (including securities due within one year) total property, plant, and equipment primarily due related to the issuance construction of senior notes transmission and revenue bonds; distribution facilities;
- a decrease an increase of $0.4 billion in deferred credits related to income taxes primarily due to the flowback of excess deferred income taxes;
- a decrease of $0.4 billion $261 million in cash and cash equivalents, as discussed further under "Analysis of Cash Flows Flow – Alabama Power" herein; and
- a decrease of $0.2 billion $246 million in other regulatory assets, deferred primarily due to a decrease in deferred under recovered retail fuel costs. clause revenues primarily resulting from increased recovery of deferred fuel expense.

See "Financing Activities – Alabama Power" herein and Notes 2 5, and 8 5 to the financial statements for additional information.

Georgia Power

Significant balance sheet changes in 2023 2024 for Georgia Power included:

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- an increase of $3.5 billion $3.0 billion in total property, plant, and equipment primarily related to the construction of generation, transmission, and distribution facilities, including $1.2 billion for costs associated with Plant Yates Units 8 through 10 and Plant Vogtle Units 3 and Unit 4;
- an increase of $2.5 billion $2.3 billion in common stockholder's equity primarily due to capital contributions from Southern Company and net income, partially offset by dividends paid to Southern Company;
- an increase of $1.8 billion in long-term debt (including securities due within one year) primarily due to net issuances of senior notes;
- decreases of $0.4 billion in AROs and $0.3 billion in regulatory assets associated with AROs primarily due to cost estimate updates for ash pond closures;
- a decrease of $0.4 billion in cash and cash equivalents, as discussed further under "Analysis of Cash Flows – Georgia Power" herein;
- an increase of $0.3 billion in accumulated deferred income taxes primarily due to an increase in property-related timing differences; and
- a decrease of $0.3 billion in notes payable primarily due to net repayments of short-term bank debt, largely offset by an increase in commercial paper borrowings.

See "Financing Activities – Georgia Power" herein and Notes 2, 5, 6,8, and 10 to the financial statements for additional information.

Mississippi Power

Significant balance sheet changes in 2023 for Mississippi Power included:

- an increase of $161 million in total property, plant, and equipment primarily related to the construction of generation, transmission, and distribution facilities;
- an increase of $99 million in long-term debt (including securities due within one year) primarily due to issuances of senior notes;
- an increase of $72 million in common stockholder's equity related to net income and capital contributions from Southern Company, partially offset by dividends paid to Southern Company; and
- a decrease of $53 million in affiliated receivables primarily due to a decrease in power pool sales.

See "Financing Activities – Mississippi Power" herein and Notes 5 and 8 to the financial statements for additional information.

- an increase of $1.7 billion in long-term debt (including securities due within one year) primarily due to net issuances of senior notes;
- a decrease of $1.1 billion in notes payable primarily due to net repayments of short-term bank debt;
- increases of $0.9 billion and $0.7 billion in other regulatory assets, deferred and other accounts payable, respectively, primarily related to storm restoration costs;
- a decrease of $0.7 billion in under recovered retail fuel clause revenues primarily resulting from increased recovery of deferred fuel expense as ordered in Georgia Power's 2023 fuel cost recovery case;
- increases of $0.5 billion and $0.4 billion in total operating lease obligations and operating lease right-of-use assets, net of amortization, respectively, related to new affiliate PPAs;
- an increase of $0.4 billion in accumulated deferred income taxes primarily related to an increase in property-related and storm damage timing differences; and
- a decrease of $0.3 billion in AROs primarily due to updates related to nuclear decommissioning AROs.

See "Financing Activities – Georgia Power" herein and Notes 2, 5, 6,8, 9, and 10 to the financial statements for additional information.

Mississippi Power

Significant balance sheet changes in 2024 for Mississippi Power included:

- an increase of $183 million in total property, plant, and equipment primarily related to the construction of transmission and distribution facilities;
- an increase of $86 million in common stockholder's equity primarily related to net income and capital contributions from Southern Company, partially offset by dividends paid to Southern Company; and
- an increase of $49 million in long-term debt (including securities due within one year) primarily due to net issuances of senior notes.

See "Financing Activities – Mississippi Power" herein and Notes 5 and 8 to the financial statements for additional information.

Southern Power

Significant balance sheet changes in 2023 2024 for Southern Power included:

- a decrease of $138 million in notes payable primarily due to a reduction in commercial paper borrowings;
- a decrease of $111 million in total property, plant, and equipment in service primarily due to the continued depreciation of assets, partially offset by an increase in CWIP primarily related to the construction of the Millers Branch solar facility;
- an increase of $335 million $98 million in accumulated deferred income taxes primarily related to the expected utilization of ITCs; federal tax credit carryforwards in 2024;
- a decrease of $268 million $58 million in long-term debt (including securities due within one year) primarily accumulated deferred ITCs due to the repayment continued amortization of senior notes at maturity; accumulated deferred ITCs; and
- a decrease of $218 million $16 million in total stockholder's stockholders' equity primarily due to dividends paid to Southern Company and net distributions to noncontrolling interests, partially offset by net income and capital contributions from Southern Company; Company and

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- a decrease of $189 million in total property, plant, and equipment in service primarily due to continued depreciation of assets, partially offset by an increase in construction work in progress primarily related to the acquisition of the South Cheyenne and Millers Branch solar facilities. net income.

See "Financing Activities – Southern Power" herein and Notes 5, 8, 10, and 15 to the financial statements for additional information.

Southern Company Gas

Significant balance sheet changes in 2023 2024 for Southern Company Gas included:

- an increase of $1.1 billion in total property, plant, and equipment primarily related to the construction of transportation and distribution assets and additional infrastructure investment;
- a decrease of $0.4 billion in total accounts receivable primarily relating to decreases of $0.2 billion in customer accounts receivable and $0.2 billion in unbilled revenues as a result of seasonality;
- an increase of $0.4 billion in common stockholder's equity related to net income and capital contributions from Southern Company, partially offset by dividends paid to Southern Company; assets;
- an increase of $0.4 billion in long-term debt (including securities due within one year) due to issuances of senior notes and first mortgage bonds;
- a decrease an increase of $0.4 billion $0.2 billion in notes payable due common stockholder's equity primarily related to repayments of short-term debt and commercial paper borrowings;
- a decrease of $0.3 billion in other accounts payable due net income, partially offset by dividends paid to the timing of vendor payments; Southern Company; and
- an increase of $0.2 billion $0.1 billion in natural gas cost over recovery accumulated deferred income taxes primarily due to lower natural gas prices and the property-related timing of natural gas purchases. differences.

See "Financing Activities – Southern Company Gas" herein and Notes 2, 5, 8, and 8 10 to the financial statements for additional information.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Financing Activities

The following table outlines the Registrants' long-term debt financing activities for the year ended December 31, 2023 December 31, 2024:

	Issuances and Reofferings				Issuances and Reofferings			Maturities and Redemptions			Maturities and Redemptions		
Company	Company	Senior Notes	Revenue Bonds	Other Long-Term Debt	Senior Notes	Revenue Bonds	Other Long-Term Debt[a]	Company	Senior Notes	Other Long-Term Debt	Senior Notes	Revenue Bonds	Other Long-Term Debt[a]
			(in millions)							*(in millions)*			*(in millions)*
Southern Company parent													
Alabama Power													
Georgia Power													
Mississippi Power													
Southern Power													
Southern Company Gas													
Other													
Elimination[b]													
Southern Company Gas													
Southern Company Gas													
Other[b]													
Elimination[c]													
Southern Company													

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(a) Includes reductions in finance lease obligations resulting from cash payments under finance leases and, for Georgia Power, principal amortization payments totaling $86 million for FFB borrowings. See Note 8 to the financial statements under "Long-term Debt – DOE Loan Guarantee Borrowings" for additional information.

(b) Includes repayment by SEGCO of $20 million of its $100 million principal amount long-term bank loan due November 15, 2025, which is guaranteed by Alabama Power. See Note 3 to the financial statements under "Guarantees" for additional information.

(c) Represents reductions in affiliate finance lease obligations at Georgia Power, which are eliminated in Southern Company's consolidated financial statements.

COMBINED MANAGEMENT'S DISCUSSION AND ANALYSIS

Except as otherwise described herein, the Registrants used the proceeds of debt issuances for their redemptions and maturities shown in the table above, to repay short-term indebtedness, and for general corporate purposes, including working capital. The Subsidiary Registrants also used the proceeds for their construction programs.

In addition to any financings that may be necessary to meet capital requirements and contractual obligations, the Registrants plan to continue, when economically feasible, a program to retire higher-cost securities and replace these obligations with lower-cost capital if market conditions permit.

Southern Company

During 2023, 2024, Southern Company issued approximately 2.1 million 5.8 million shares of common stock primarily through equity compensation plans and received proceeds plans. Also during 2024, Southern Company entered into forward sale contracts for the issuance of approximately $36 million. shares of common stock that are expected to be settled in 2025. See Note 8 to the financial statements under "Equity Distribution Agreement" for additional information.

In January 2023, February 2024, Southern Company redeemed all $550 million issued an additional $400 million aggregate principal amount of its Series 2016B Junior Subordinated 2023D 5.50% Senior Notes due March 15, 2057 March 15, 2029 (Series 2023D Senior Notes) and an additional $400 million aggregate principal amount of its Series 2023E 5.70% Senior Notes due March 15, 2034 (Series 2023E Senior Notes). Upon these issuances, the aggregate principal amount of outstanding Series 2023D Senior Notes and Series 2023E Senior Notes was $1.0 billion and $1.1 billion, respectively.

Also in February 2024, Southern Company borrowed $300 million pursuant to a short-term uncommitted bank credit arrangement, which was repaid in March 2024.

Also in February 2024, Southern Company repaid at maturity $600 million aggregate principal amount of its Series 2021A 0.60% Senior Notes.

In February 2023, May 2024, Southern Company issued $1.5 billion aggregate principal amount of its Series 2023A 3.875% 2024A 4.50% Convertible Senior Notes due December 15, 2025 (Series 2023A Convertible Senior Notes) June 15, 2027 in a private offering. In March 2023, Southern Company issued an additional $225 million aggregate principal amount of the Series 2023A Convertible Senior Notes upon the exercise by the initial purchasers of their over-allotment option. See Note 8 to the financial statements under "Convertible Senior Notes" for additional information.

In May 2023, August 2024, Southern Company repaid at maturity $600 million $862.5 million aggregate principal amount of its 2021C Floating Rate Senior Series 2019A Remarketable Junior Subordinated Notes.

Also in May 2023, In September 2024, Southern Company issued $750 million aggregate principal amount of Series 2023B 2024B 4.85% Senior Notes due June 15, 2028 and $750 million March 15, 2035.

Subsequent to December 31, 2024, Southern Company issued $565 million aggregate principal amount of Series 2023C 5.20% Senior 2025A 6.50% Junior Subordinated Notes due June 15, 2033 March 15, 2085.

In July 2023, Southern Company repaid at maturity $1.25 billion aggregate principal amount of its 2.95% Senior Notes.

In September 2023, Southern Company issued $600 million aggregate principal amount of Series 2023D 5.50% Senior Notes due March 15, 2029 and $700 million aggregate principal amount of Series 2023E 5.70% Senior Notes due March 15, 2034.

Alabama Power

During 2023, a subsidiary of Alabama Power borrowed $20 million under a $39 million long-term floating rate bank loan entered into in December 2022 with a maturity date of December 12, 2029.

In May 2023, Alabama Power issued $200 million aggregate principal amount of Series 2023A Floating Rate Senior Notes due May 15, 2073.

In August 2023, the Walker County Economic and Industrial Development Authority issued for the benefit of Alabama Power $228 million aggregate principal amount of Solid Waste Disposal Revenue Bonds (Alabama Power Company Plant Gorgas Project), First Series 2023 ($140 million aggregate principal amount) and Second Series 2023 ($88 million aggregate principal amount) due August 1, 2063. The proceeds from the revenue bonds are being used to finance certain solid waste disposal facilities at Plant Gorgas.

Also in August 2023, the Industrial Development Board of the Town of West Jefferson issued for the benefit of Alabama Power $98 million aggregate principal amount of Solid Waste Disposal Revenue Bonds (Alabama Power Company Plant Miller Project), Series 2023 due August 1, 2063. The proceeds from the revenue bonds are being used to finance certain solid waste disposal facilities at Plant Miller.

In September 2023, a subsidiary of Alabama Power assumed two fixed rate bank loans totaling $9 million, which it repaid in December 2023 using approximately $9 million of borrowings under a new $20 million fixed rate bank loan maturing December 2030.

In November 2023, Alabama Power issued $300 million aggregate principal amount of Series 2023B 5.85% Senior Notes due November 15, 2033.

In December 2023, Alabama Power repaid at maturity $300 million aggregate principal amount of its Series 2013A 3.55% Senior Notes.

Subsequent to December 31, 2023, Alabama Power received a capital contribution of $425 million from Southern Company and also repaid at maturity approximately $21 million aggregate principal amount of Industrial Development Board of the Town of Wilsonville (Alabama) Pollution Control Revenue Bonds (Alabama Power Company Gaston Plant Project), Series D.

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Georgia Alabama Power

In March 2023, Georgia January 2024, Alabama Power reoffered repaid at maturity its obligations with respect to the public the following pollution control revenue bonds that previously had been purchased and were held by Georgia Power at December 31, 2022:

- approximately $28 million $21 million aggregate principal amount of The Industrial Development Authority Board of Monroe County (Georgia) the Town of Wilsonville (Alabama) Pollution Control Revenue Bonds (Georgia (Alabama Power Company Gaston Plant Scherer Project), Second Series 2006; D.

- approximately $89 million aggregate In May 2024, Alabama Power entered into a $50 million short-term floating rate bank loan, which it repaid at maturity in July 2024.

In October 2024, a subsidiary of Alabama Power repaid the remaining $22 million outstanding principal amount of Development Authority a $39 million long-term floating rate bank loan entered into in December 2022 with a maturity date of Monroe County (Georgia) Pollution Control Revenue Bonds (Georgia December 12, 2029.

In December 2024, a subsidiary of Alabama Power Company Plant Scherer Project), Second Series 2009; borrowed $1 million under a $15 million credit line entered into in December 2024 with a maturity date of December 11, 2026.

- approximately $49 million aggregate principal amount of Development Authority of Monroe County (Georgia) Pollution Control Revenue Bonds (Georgia

Georgia Power Company Plant Scherer Project), First Series 2012;

- approximately $18 million aggregate principal amount of Development Authority of Monroe County (Georgia) Pollution Control Revenue Bonds (Georgia Power Company Plant Scherer Project), First Series 2013; and

- $46 million aggregate principal amount of Development Authority of Burke County (Georgia) Pollution Control Revenue Bonds (Georgia Power Company Plant Vogtle Project), First Series 1996.

Also in March 2023, In January 2024, Georgia Power borrowed $100 million an additional $150 million pursuant to a short-term uncommitted bank credit arrangement bearing interest at a mutually agreed upon rate and payable on demand. In April 2023, Georgia Power borrowed an additional $150 million under the arrangement. In May 2023, February 2024, Georgia Power repaid the aggregate $250 million outstanding.

Also in March 2023, February 2024, Georgia Power repaid at maturity issued $500 million aggregate principal amount of Series 2024A 5.004% Senior Notes due February 23, 2027 and $900 million aggregate principal amount of Series 2024B 5.250% Senior Notes due March 15, 2034.

In June 2024, Georgia Power entered into a $200 million short-term floating rate bank loan entered into in March 2022. bearing interest based on term SOFR.

In April 2023, July 2024, Georgia Power repaid $210 million of a $420 million short-term floating rate bank loan due November 2024. In August 2024, Georgia Power repaid the remaining $210 million outstanding.

In September 2024, Georgia Power repaid at maturity $100 million $400 million aggregate principal amount of its Series N 5.750% 2019A 2.20% Senior Notes.

Also in April 2023, Georgia Power repaid at maturity a $200 million short-term floating rate bank loan entered into in April 2022.

In May 2023, November 2024, Georgia Power issued $750 million approximately $117 million aggregate principal amount of Series 2023A 4.65% 2024C Floating Rate Senior Notes due May 16, 2028 and $1.0 billion November 15, 2074.

In December 2024, Georgia Power issued $600 million aggregate principal amount of Series 2023B 4.95% 2024D 4.55% Senior Notes due May 17, 2033 March 15, 2030.

In July 2023, Georgia Power repaid at maturity $700 million aggregate principal amount of its Series 2020A 2.10% Senior Notes.

In November 2023, Georgia Power issued $700 million aggregate principal amount of Series 2023C Floating Rate Senior Notes due May 8, 2025.

Also in November 2023, Georgia Power repaid $780 million of a $1.2 billion short-term floating rate bank loan entered into in November 2022 and extended the maturity of the remaining outstanding amount of $420 million to November 2024.

In December 2023 and subsequent to December 31, 2023, Georgia Power borrowed $100 million and $150 million, respectively, pursuant to a short-term uncommitted bank credit arrangement bearing interest at a mutually agreed upon rate and payable on demand.

Mississippi Power

In March 2023, Mississippi Power borrowed $50 million of short-term debt pursuant to its $125 million revolving credit arrangement, which it repaid in June 2023.

In June 2023, 2024, Mississippi Power issued in a private placement $65 million $100 million aggregate principal amount of Series 2023A 5.64% 2024A 5.62% Senior Notes due July 15, 2026 March 15, 2034 and $35 million $50 million aggregate principal amount of Series 2023B 5.63% 2024B 5.72% Senior Notes due July 15, 2033 March 15, 2036.

Southern Power

In January 2023, Southern Power borrowed $100 million June 2024, pursuant to the same agreement, Mississippi Power issued in a short-term uncommitted bank credit arrangement bearing interest at a mutually agreed upon rate and payable on demand. During the second quarter 2023, Southern Power made net repayments private placement $100 million aggregate principal amount of $50 million of the $100 million borrowed. In October 2023, Southern Power borrowed the remaining $50 million under the arrangement. In December 2023, Southern Power repaid the $100 million outstanding amount. Series 2024C 5.91% Senior Notes due June 15, 2054.

In September 2023, Southern Also in June 2024, Mississippi Power repaid at maturity $290 million $200 million aggregate principal amount of its Series 2016C 2.75% 2021A Floating Rate Senior Notes.

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Southern Company Gas

During 2024, Southern Company Gas received additional cash advances totaling $8 million under a long-term financing agreement related to a construction contract, for a total aggregate outstanding balance of $68 million.

In February 2023, September 2024, Nicor Gas repaid its $150 million issued in a private placement $25 million aggregate principal amount of 4.78% Series First Mortgage Bonds due September 15, 2031, $100 million aggregate principal amount of 5.00% Series First Mortgage Bonds due September 15, 2034, and $50 million short-term floating rate bank loans entered into in February 2022 and March 2022, respectively.

$31 million aggregate principal amount of 5.58% Series First Mortgage Bonds due September 15, 2059. In July 2023, December 2024, pursuant to the same agreement, Nicor Gas issued in a private placement $50 million aggregate principal amount of 5.28% 4.63% Series First Mortgage Bonds due July 31, 2030 December 15, 2029 and $75 million $69 million aggregate principal amount of 5.43% 5.66% Series First Mortgage Bonds due July 31, 2035. In October 2023, pursuant to the same agreement, Nicor Gas issued in a private placement $75 million aggregate principal amount of 5.67% Series First Mortgage Bonds due October 31, 2053 and $75 million aggregate principal amount of 5.77% Series First Mortgage Bonds due October 31, 2063 December 15, 2064.

In September 2023, 2024, Southern Company Gas Capital issued $500 million $450 million aggregate principal amount of Series 2023A 5.75% 2024A 4.95% Senior Notes due September 15, 2033 September 15, 2034, guaranteed by Southern Company Gas.

In October 2023, Southern Company Gas Capital repaid at maturity $350 million aggregate principal amount of its 2.450% Senior Notes.

In December 2023, Nicor Gas repaid at maturity $50 million aggregate principal amount of its 5.80% Series First Mortgage Bonds.

During 2023, Southern Company Gas received cash advances totaling $37 million under a long-term financing agreement related to a construction contract.

Credit Rating Risk

At December 31, 2023 December 31, 2024, the Registrants did not have any credit arrangements that would require material changes in payment schedules or terminations as a result of a credit rating downgrade.

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There are certain contracts that could require collateral, but not accelerated payment, in the event of a credit rating change of certain Registrants to BBB and/or Baa2 or below. These contracts are primarily for physical electricity and natural gas purchases and sales, fuel purchases, fuel transportation and storage, energy price risk management, transmission, interest rate management, and, for Georgia Power, services at Plant Vogtle Units 3 and 4.

The maximum potential collateral requirements under these contracts at December 31, 2023 December 31, 2024 were as follows:

Credit Ratings	Credit Ratings	Southern Company(*)	Alabama Power	Georgia Power	Mississippi Power	Southern Power(*)	Southern Company Gas	Credit Ratings	Southern Company(*)	Alabama Power	Georgia Power	Mississippi Power	Southern Power(*)	Southern Company Gas
	(in millions)													
At BBB and/or Baa2														
At BBB- and/or Baa3														
At BB+ and/or Ba1 or below														

(*) Southern Power has PPAs that could require collateral, but not accelerated payment, in the event of a downgrade of Southern Power's credit. The PPAs require credit assurances without stating a specific credit rating. The amount of collateral required would depend upon actual losses resulting from a credit downgrade. Southern Power had $106 million of cash collateral posted related to PPA requirements at December 31, 2023 December 31, 2024.

The amounts in the previous table for the traditional electric operating companies and Southern Power include certain agreements that could require collateral if either Alabama Power or Georgia Power has a credit rating change to below investment grade. Generally, collateral may be provided by a Southern Company guaranty, letter of credit, or cash. Additionally, a credit rating downgrade could impact the ability of the Registrants to access capital markets and would be likely to impact the cost at which they do so.

Mississippi Power and its largest retail customer, Chevron Products Company (Chevron), have agreements under which Mississippi Power provides retail service to the Chevron refinery in Pascagoula, Mississippi through at least 2038. The agreements grant Chevron a security interest in the co-generation assets owned by Mississippi Power located at the refinery that is exercisable upon the occurrence of (i) certain bankruptcy events or (ii) other events of default coupled with specific reductions in steam output at the facility and a downgrade of Mississippi Power's credit rating to below investment grade by two of the three rating agencies.

On August 2, 2023 May 2, 2024, S&P upgraded the issuer credit rating for Southern Company to A- from BBB+. Due to S&P's rating methodology, the upgrade of Southern Company's issuer credit rating resulted in the upgrade of the senior unsecured long-term debt ratings of Mississippi Power, Southern Company Gas Capital, and Atlanta Gas Light to A- from BBB+, the senior unsecured long-term debt rating of Georgia Power to A from BBB+, the senior unsecured long-term debt rating of Alabama Power to A from A-, and the senior unsecured long-term debt ratings of Southern Company and Southern Power to BBB+ from BBB. Nicor Gas' long-term issuer rating remained at A-. S&P revised its credit rating outlook for Southern Company and its subsidiaries to positive stable from stable. positive.

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On September 1, 2023 August 20, 2024, Fitch upgraded the senior unsecured long-term debt rating ratings of Georgia Power and Mississippi Power to A- A from BBB+ and revised the rating outlook to positive from stable.

Also on September 1, 2023, Fitch revised the ratings outlook of Southern Company, Alabama Power, Southern Power, Nicor Gas, and SEGCO to stable from negative. A-.

On September 26, 2023 September 26, 2024, Moody's upgraded Mississippi Power's the senior unsecured long-term debt rating of Southern Company to Baa1 from Baa2 and of Georgia Power to A3 from Baa1 and Baa1. Moody's also revised its rating the ratings outlook for Southern Company to stable from positive.

Also on September 26, 2023, Moody's revised its ratings outlooks for Southern Company and Georgia Power to positive from stable.

Market Price Risk

The Registrants had no material change in market risk exposure for the year ended December 31, 2023 December 31, 2024 when compared to the year ended December 31, 2022 December 31, 2023. See Note 14 to the financial statements for an in-depth discussion of the Registrants' derivatives, as well as Note 1 to the financial statements under "Financial Instruments" for additional information.

Due to cost-based rate regulation and other various cost recovery mechanisms, the traditional electric operating companies and the natural gas distribution utilities that sell natural gas directly to end-use customers continue to have limited exposure to market volatility in interest rates, foreign currency exchange rates, commodity fuel prices, and prices of electricity. The traditional electric operating companies and certain of the natural gas distribution utilities manage fuel-hedging programs implemented per the guidelines of their respective state PSCs or other applicable state regulatory agencies to hedge the impact of market fluctuations in natural gas prices for customers. Mississippi Power also manages wholesale fuel-hedging programs under agreements with its wholesale customers. Because energy from Southern Power's facilities is primarily sold under long-term PPAs with tolling agreements and provisions shifting substantially all of the responsibility for fuel cost to the counterparties, Southern Power's exposure to market volatility in commodity fuel prices and prices of electricity is generally limited. However, Southern Power has been and may continue to be exposed to market volatility in energy-related commodity prices as a result of uncontracted generating capacity. To mitigate residual risks relative to movements in electricity prices, the traditional electric

operating companies and Southern Power may enter into physical fixed-price contracts for the purchase and sale of electricity through the wholesale electricity market and, to a lesser extent, financial hedge contracts for natural gas purchases; however, a significant portion of contracts are priced at market.

Certain of Southern Company Gas' non-regulated operations routinely utilize various types of derivative instruments to economically hedge certain commodity price and weather risks inherent in the natural gas industry. These instruments include a variety of exchange-traded and OTC energy contracts, such as forward contracts, futures contracts, options contracts, and swap agreements. Southern Company Gas' gas marketing services business also actively manages storage positions through a variety of hedging transactions for the purpose of managing exposures arising from changing natural gas prices. These hedging instruments are used to substantially protect economic margins (as spreads between wholesale and retail natural gas prices widen between periods) and thereby minimize exposure to declining earnings. Some of these economic hedge activities may not qualify, or may not be designated, for hedge accounting treatment.

The following table provides information related to variable interest rate exposure on long-term debt (including amounts due within one year) at December 31, 2023 December 31, 2024 for the applicable Registrants:

At December 31, 2023 At December 31, 2023					
At December 31, 2023	Southern Company(*)	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
At December 31, 2024 At December 31, 2024					
At December 31, 2024	Southern Company(*)	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
			(in millions, except percentages)		
Long-term variable interest rate exposure					

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Weighted average interest rate on long-term variable interest rate exposure	Weighted average interest rate on long-term variable interest rate exposure	5.87	%	4.75	%	5.48	%	5.39	%	5.85	%	Weighted average interest rate on long-term variable interest rate exposure	4.77	%	3.38	%	4.16	%	3.14	%	4.98	%
Impact on annualized interest expense of 100 basis point change in interest rates																						

(*) Includes $1.4 billion of long-term variable interest rate exposure at the Southern Company parent entity.

The Registrants may enter into interest rate derivatives designated as hedges, which are intended to mitigate interest rate volatility related to forecasted debt financings and existing fixed and floating rate obligations. See Note 14 to the financial statements under "Interest Rate Derivatives" for additional information.

Southern Company and Southern Power had foreign currency denominated debt at December 31, 2023 December 31, 2024 and have each mitigated exposure to foreign currency exchange rate risk through the use of foreign currency swaps. See Note 14 to the financial statements under "Foreign Currency Derivatives" for additional information.

Changes in fair value of energy-related derivative contracts for Southern Company and Southern Company Gas for the years ended December 31, 2023 December 31, 2024 and 2022 2023 are provided in the table below. At December 31, 2023 December 31, 2024 and 2022, 2023, substantially all of the traditional electric operating companies' and certain of the natural gas distribution utilities' energy-related derivative contracts were designated as regulatory hedges and were related to the applicable company's fuel-hedging program.

	Southern Company[a]	Southern Company[a]	Southern Company[a]	Southern Company Gas[a]	Southern Company Gas[a]
					(in millions)
Contracts outstanding at December 31, 2021, assets (liabilities), net					
Contracts realized or settled					
Current period changes[b]					
Contracts outstanding at December 31, 2022, assets (liabilities), net					
Contracts outstanding at December 31, 2022, assets (liabilities), net					
Contracts outstanding at December 31, 2022, assets (liabilities), net					
Contracts realized or settled					
Current period changes[b]					
Contracts outstanding at December 31, 2023, assets (liabilities), net					
Contracts realized or settled					
Current period changes[b]					
Contracts outstanding at December 31, 2024, assets (liabilities), net					

(a) Excludes cash collateral held on deposit in broker margin accounts of $62 million $17 million, $41 million $62 million, and $3 million $41 million at December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, respectively, and immaterial premium and intrinsic value associated with weather derivatives for all periods presented.

(b) The changes in fair value of energy-related derivative contracts are substantially attributable to both the volume and the price of natural gas. Current period changes also include the changes in fair value of new contracts entered into during the period, if any.

The net hedge volumes of energy-related derivative contracts for natural gas purchased (sold) at December 31, 2023 December 31, 2024 and 2022 2023 for Southern Company and Southern Company Gas were as follows:

	Southern Company	Southern Company	Southern Company	Southern Company Gas	Southern Company Gas
					mmBtu Volume *(in millions)*
At December 31, 2024:					

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Commodity – Natural gas swaps								
Commodity – Natural gas swaps								
Commodity – Natural gas swaps								
Commodity – Natural gas options								
Total hedge volume								
At December 31, 2023:								
At December 31, 2023:								
At December 31, 2023:								
Commodity – Natural gas swaps								
Commodity – Natural gas swaps								
Commodity – Natural gas swaps								
Commodity – Natural gas options								
Total hedge volume								
At December 31, 2022:								
At December 31, 2022:								
At December 31, 2022:								
Commodity – Natural gas swaps								
Commodity – Natural gas swaps								
Commodity – Natural gas swaps								
Commodity – Natural gas options								
Total hedge volume								

Southern Company Gas' derivative contracts are comprised of both long and short natural gas positions. A long position is a contract to purchase natural gas, and a short position is a contract to sell natural gas. The volumes presented above for Southern Company Gas represent the net of long natural gas positions of 112 90 million mmBtu and short natural gas positions of 10 million 7 million mmBtu at December 31, 2023 December 31, 2024 and the net of long natural gas positions of 98 million 112 million mmBtu and short natural gas positions of 5 million 10 million mmBtu at December 31, 2022 December 31, 2023.

For the Southern Company system, the weighted average swap contract cost per mmBtu was approximately $0.15 per mmBtu below market prices at December 31, 2024 and was approximately $0.76 per mmBtu below market prices at December 31, 2023 and was approximately $0.08 per mmBtu above market prices at December 31, 2022. The change in option fair value is primarily attributable to the volatility of the market and the underlying change in the natural gas price. Substantially all of the traditional electric operating companies' natural gas hedge gains and losses are recovered through their respective fuel cost recovery clauses.

The Registrants use over-the-counter OTC contracts that are not exchange traded but are fair valued using prices which are market observable, and thus fall into Level 2 of the fair value hierarchy. In addition, Southern Company Gas uses exchange-traded market-observable contracts, which are categorized as Level 1. See Note 13 to the financial statements for further discussion of fair value measurements. The maturities of the energy-related derivative contracts for Southern Company and Southern Company Gas at December 31, 2023 December 31, 2024 were as follows:

	Fair Value Measurements of Contracts at						December 31, 2023	December 31, 2024
			Maturity					Maturity
	Total Fair Value	Total Fair Value	2024	2025 – 2026	2027 – 2028	Thereafter	Total Fair Value	
			2025	**2026 – 2027**	**2028 – 2029**	**Thereafter**		
			(in millions)					
Southern Company								
Level 1(a)								
Level 1(a)								
Level 1(a)								
Level 2(b)								
Southern Company total(c)								
Southern Company total(c)								
Southern Company total(c)								
Southern Company Gas								

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Southern Company Gas
Southern Company Gas
Level 1[(a)]
Level 1[(a)]
Level 1[(a)]
Level 2[(b)]
Southern Company Gas total[(c)]
Southern Company Gas total[(c)]
Southern Company Gas total[(c)]

(a) Valued using NYMEX futures prices.

(b) Level 2 amounts for Southern Company Gas are valued using basis transactions that represent the cost to transport natural gas from a NYMEX delivery point to the contract delivery point. These transactions are based on quotes obtained either through electronic trading platforms or directly from brokers.

(c) Excludes cash collateral of $62 million $17 million as well as immaterial premium and associated intrinsic value associated with weather derivatives.

The Registrants are exposed to risk in the event of nonperformance by counterparties to energy-related and interest rate derivative contracts, as applicable. The Registrants only generally enter into agreements and material transactions with counterparties that have

investment grade credit ratings by Moody's, and S&P, or Fitch or with counterparties who have posted collateral to cover potential credit exposure. Therefore, the Registrants do not anticipate market risk exposure from nonperformance by the counterparties. For additional information, see Note 1 to the financial statements under "Financial Instruments" and Note 14 to the financial statements.

Credit Risk

Southern Company (except as discussed herein), the traditional electric operating companies, and Southern Power are not exposed to any concentrations of credit risk. Southern Company Gas' exposure to concentrations of credit risk is discussed herein.

Southern Company Gas

Gas Distribution Operations

Concentration of credit risk occurs at Atlanta Gas Light for amounts billed for services and other costs to its customers, which consist of the 13 14 Marketers in Georgia. The credit risk exposure to the Marketers varies seasonally, with the lowest exposure in the non-peak summer months and the highest exposure in the peak winter months. Marketers are responsible for the retail sale of natural gas to end-use customers in Georgia. The provisions of Atlanta Gas Light's tariff allow Atlanta Gas Light to obtain credit security support in an amount equal to a minimum of two times a Marketer's highest month's estimated bill from Atlanta Gas Light. For 2023, 2024, the four largest Marketers based on customer count, which includes SouthStar, accounted for 18% 20% of Southern Company Gas' operating revenues and 20% 23% of operating revenues for Southern Company Gas' gas distribution operations segment.

Several factors are designed to mitigate Southern Southern Company Gas' risks from the increased concentration of credit that has resulted from deregulation. In addition to the security support described above, Atlanta Gas Light bills intrastate delivery service to Marketers in advance rather than in arrears. Atlanta Gas Light accepts credit support in the form of cash deposits, letters of credit/surety bonds from acceptable issuers, and corporate guarantees from investment-grade entities. Southern Company Gas reviews the adequacy of credit support coverage, credit rating profiles of credit support providers, and payment status of each Marketer. Southern Company Gas believes that adequate policies and procedures are in place to properly quantify, manage, and report on Atlanta Gas Light's credit risk exposure to Marketers.

Atlanta Gas Light also faces potential credit risk in connection with assignments of interstate pipeline transportation and storage capacity to Marketers. Although Atlanta Gas Light assigns this capacity to Marketers, in the event that a Marketer fails to pay the interstate pipelines for the capacity, the interstate pipelines would likely seek repayment from Atlanta Gas Light.

Gas Marketing Services

Southern Company Gas obtains credit scores for its firm residential and small commercial customers using a national credit reporting agency, enrolling only those customers that meet or exceed Southern Company Gas' credit threshold. Southern Company Gas considers potential interruptible and large commercial customers based on reviews of publicly available financial statements and commercially available credit reports. Prior to entering into a physical transaction, Southern Company Gas also assigns physical wholesale

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counterparties an internal credit rating and credit limit based on the counterparties' Moody's, S&P, and Fitch ratings, commercially available credit reports, and audited financial statements.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of The Southern Company and Subsidiary Companies

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of The Southern Company and Subsidiary Companies (Southern Company) as of December 31, 2023 December 31, 2024 and 2022, 2023, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, the related notes, and the financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). We also have audited Southern Company's internal control over financial reporting as of December 31, 2023 December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southern Company as of December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, Southern Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023 December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by COSO.

Basis for Opinions

Southern Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on these financial statements and an opinion on Southern Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Southern Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Audit Committee of Southern Company's Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective,

or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impact of Rate Regulation on the Financial Statements – Refer to Note 1 (Summary of Significant Accounting Policies – Regulatory Assets and Liabilities) and Note 2 (Regulatory Matters) to the financial statements

Critical Audit Matter Description

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Southern Company's traditional electric operating companies and natural gas distribution utilities (the "regulated utility subsidiaries") are subject to rate regulation by their respective state Public Service Commissions or other applicable state regulatory agencies and wholesale regulation by the Federal Energy Regulatory Commission (collectively, the "Commissions"). Management has determined that the regulated utility subsidiaries meet the requirements under accounting principles generally accepted in the United States of America to utilize specialized rules to account for the effects of rate regulation in the preparation of its financial statements. Accounting for the economics of rate regulation may impact multiple financial statement line items and disclosures.

The Commissions set the rates the regulated utility subsidiaries are permitted to charge customers. Rates are determined and approved in regulatory proceedings based on an analysis of the applicable regulated utility subsidiary's costs to provide utility service and a return on, and recovery of, its investment in the utility business. Current and future regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investments, and the timing and amount of assets to be recovered through rates. The Commissions' regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. While Southern Company's regulated utility subsidiaries expect to recover costs from customers through regulated rates, there is a risk that the Commissions will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of all amounts invested in the utility business and a reasonable return on those investments.

We identified the impact of rate regulation related to certain assets and liabilities as a critical audit matter due to the significant judgments made by management to support its assertions about impacted account balances and disclosures and/or the high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs. Management judgments include assessing the likelihood of (1) recovery in future rates of incurred costs, (2) a disallowance of part of the cost of recently completed plant or plant under construction, and/or (3) a refund to customers. Auditing these judgments, which include assumptions about the outcome of future decisions by the Commissions, required specialized knowledge of accounting for rate regulations and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the impact of rate regulation on certain assets and liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of certain incurred costs and (2) refunds or future reductions in rates that should be reported as regulatory liabilities; and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering certain costs in future rates or of a future reduction in rates. We also tested the effectiveness of management's controls over the initial recognition of certain regulatory assets or liabilities.
- We read and evaluated relevant regulatory orders issued and/or other relevant publicly available information to assess the likelihood of recovery of certain incurred costs in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.
- We tested certain incurred costs recorded as regulatory assets or liabilities during the period for completeness and accuracy.
- We obtained representation from management regarding the likelihood of recoverability of incurred costs and potential refund or future reduction in rates to assess management's assertions about the likelihood of recovery, refund, or a future reduction in rates.
- We evaluated Southern Company's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments, including where there is a high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

We have served as Southern Company's auditor since 2002.

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CONSOLIDATED STATEMENTS OF INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company and Subsidiary Companies

	2023	2022	2021
	2024	2023	2022
		(in millions)	
Operating Revenues:			
Retail electric revenues			
Retail electric revenues			
Retail electric revenues			
Wholesale electric revenues			
Other electric revenues			
Natural gas revenues			
Other revenues			
Total operating revenues			
Operating Expenses:			
Fuel			

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Fuel
Fuel
Purchased power
Cost of natural gas
Cost of other sales
Other operations and maintenance
Depreciation and amortization
Taxes other than income taxes
Estimated loss on Plant Vogtle Units 3 and 4
Impairment charges
Total operating expenses
Total operating expenses
Total operating expenses
Operating Income
Other Income and (Expense):
Allowance for equity funds used during construction
Allowance for equity funds used during construction
Allowance for equity funds used during construction
Earnings from equity method investments
Earnings from equity method investments
Earnings from equity method investments
Interest expense, net of amounts capitalized
Other income (expense), net
Other income (expense), net
Other income (expense), net
Total other income and (expense)
Earnings Before Income Taxes
Income taxes
Consolidated Net Income
Dividends on preferred stock of subsidiaries
Net loss attributable to noncontrolling interests
Consolidated Net Income Attributable to Southern Company
Common Stock Data:
Earnings per share —
Earnings per share —
Earnings per share —
Basic
Basic
Basic
Diluted
Average number of shares of common stock outstanding — (in millions)
Basic
Basic
Basic
Diluted

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company and Subsidiary Companies

	2023	2022	2021
	2024	2023	2022
			(in millions)
Consolidated Net Income			
Other comprehensive income (loss):			
Qualifying hedges:			
Qualifying hedges:			
Qualifying hedges:			
Changes in fair value, net of tax of $(17), $(19), and $(16), respectively			
Changes in fair value, net of tax of $(17), $(19), and $(16), respectively			
Changes in fair value, net of tax of $(17), $(19), and $(16), respectively			
Reclassification adjustment for amounts included in net income, net of tax of $27, $23, and $31, respectively			
Changes in fair value, net of tax of $(2), $(17), and $(19), respectively			
Changes in fair value, net of tax of $(2), $(17), and $(19), respectively			
Changes in fair value, net of tax of $(2), $(17), and $(19), respectively			
Reclassification adjustment for amounts included in net income, net of tax of $28, $27, and $23, respectively			
Pension and other postretirement benefit plans:			
Pension and other postretirement benefit plans:			
Pension and other postretirement benefit plans:			
Benefit plan net gain (loss), net of tax of $(14), $18, and $37, respectively			
Benefit plan net gain (loss), net of tax of $(14), $18, and $37, respectively			
Benefit plan net gain (loss), net of tax of $(14), $18, and $37, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $—, $3, and $5, respectively			
Benefit plan net gain (loss), net of tax of $10, $(14), and $18, respectively			
Benefit plan net gain (loss), net of tax of $10, $(14), and $18, respectively			
Benefit plan net gain (loss), net of tax of $10, $(14), and $18, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $—, $—, and $3, respectively			
Total other comprehensive income (loss)			
Dividends on preferred stock of subsidiaries			
Comprehensive loss attributable to noncontrolling interests			
Consolidated Comprehensive Income Attributable to Southern Company			

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company and Subsidiary Companies

	2023	2022	2021	2024	2023	2022
	(in millions)			*(in millions)*		
Operating Activities:						
Consolidated net income						
Consolidated net income						
Consolidated net income						
Adjustments to reconcile consolidated net income to net cash provided from operating activities —						
Depreciation and amortization, total						
Depreciation and amortization, total						
Depreciation and amortization, total						
Deferred income taxes						
Utilization of federal investment tax credits						
Utilization of federal tax credit carryforward						
Allowance for equity funds used during construction						
Allowance for equity funds used during construction						
Allowance for equity funds used during construction						
Pension, postretirement, and other employee benefits						
Settlement of asset retirement obligations						
Settlement of asset retirement obligations						
Settlement of asset retirement obligations						
Storm damage and reliability reserve accruals						
Stock based compensation expense						
Estimated loss on Plant Vogtle Units 3 and 4						
Estimated loss on Plant Vogtle Units 3 and 4						
Estimated loss on Plant Vogtle Units 3 and 4						
Impairment charges						
Impairment charges						
Impairment charges						
Retail fuel cost under recovery – long-term						
Retail fuel cost under recovery – long-term						
Retail fuel cost under recovery – long-term						
Natural gas cost under recovery – long-term						
Storm damage cost recovery – long-term						
Other, net						
Changes in certain current assets and liabilities —						
-Receivables						
-Receivables						
-Receivables						
-Retail fuel cost under recovery						
-Fossil fuel for generation						
-Materials and supplies						
-Natural gas cost under recovery						
-Natural gas cost under recovery						
-Natural gas cost under recovery						
-Other current assets						
-Accounts payable						
-Accrued taxes						
-Customer refunds						

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-Customer refunds
-Customer refunds
-Natural gas cost over recovery
-Other current liabilities
Net cash provided from operating activities
Investing Activities:
Property additions
Property additions
Property additions
Nuclear decommissioning trust fund purchases
Nuclear decommissioning trust fund purchases
Nuclear decommissioning trust fund purchases
Nuclear decommissioning trust fund sales
Proceeds from dispositions
Cost of removal, net of salvage
Change in construction payables, net
Payments pursuant to LTSAs
Payments pursuant to LTSAs
Payments pursuant to LTSAs
Other investing activities
Net cash used for investing activities
Financing Activities:
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Proceeds —
Long-term debt
Long-term debt
Long-term debt
Short-term borrowings
Short-term borrowings
Short-term borrowings
Common stock
Redemptions and repurchases —
Redemptions and repurchases —
Redemptions and repurchases —
Long-term debt
Long-term debt
Long-term debt
Short-term borrowings
Short-term borrowings
Short-term borrowings
Preferred stock
Capital contributions from noncontrolling interests
Distributions to noncontrolling interests
Distributions to noncontrolling interests
Distributions to noncontrolling interests
Payment of common stock dividends
Payment of common stock dividends
Payment of common stock dividends
Other financing activities

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Other financing activities	
Other financing activities	
Net cash provided from financing activities	
Net cash provided from (used for) financing activities	
Net Change in Cash, Cash Equivalents, and Restricted Cash	
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year	
Cash, Cash Equivalents, and Restricted Cash at End of Year	
Supplemental Cash Flow Information:	
Cash paid during the period for —	
Cash paid during the period for —	
Cash paid during the period for —	
Interest (net of $132, $103, and $92 capitalized, respectively)	
Interest (net of $132, $103, and $92 capitalized, respectively)	
Interest (net of $132, $103, and $92 capitalized, respectively)	
Income taxes, net	
Interest (net of $103, $132, and $103 capitalized, respectively)	
Interest (net of $103, $132, and $103 capitalized, respectively)	
Interest (net of $103, $132, and $103 capitalized, respectively)	
Income taxes, net (excludes credit transfers)	
Noncash transactions —	
Accrued property additions at year-end	
Accrued property additions at year-end	
Accrued property additions at year-end	
LTSA credits utilized from the sale of spare parts	
Contributions from noncontrolling interests	
Contributions of wind turbine equipment	
Issuance of common stock under dividend reinvestment plan	

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Southern Company and Subsidiary Companies

Assets	**Assets**	**2023**	2022	**Assets**	**2024**	2023
				(in millions)		
Current Assets:						
Cash and cash equivalents						
Cash and cash equivalents						
Cash and cash equivalents						
Receivables —						
Customer accounts						
Customer accounts						
Customer accounts						
Unbilled revenues						
Unbilled revenues						
Unbilled revenues						
Under recovered fuel clause revenues						
Other accounts and notes						
Other accounts and notes						
Other accounts and notes						
Accumulated provision for uncollectible accounts						

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Materials and supplies
Fossil fuel for generation
Natural gas for sale
Prepaid expenses
Prepaid expenses
Prepaid expenses
Assets from risk management activities, net of collateral
Assets from risk management activities, net of collateral
Assets from risk management activities, net of collateral
Regulatory assets – asset retirement obligations
Natural gas cost under recovery
Other regulatory assets
Other regulatory assets
Other regulatory assets
Other current assets
Other current assets
Other current assets
Total current assets
Property, Plant, and Equipment:
In service
In service
In service
Less: Accumulated depreciation
Plant in service, net of depreciation
Other utility plant, net
Nuclear fuel, at amortized cost
Construction work in progress
Total property, plant, and equipment
Other Property and Investments:
Goodwill
Goodwill
Goodwill
Nuclear decommissioning trusts, at fair value
Equity investments in unconsolidated subsidiaries
Other intangible assets, net of amortization of $376 and $340, respectively
Other intangible assets, net of amortization of $412 and $376, respectively
Miscellaneous property and investments
Miscellaneous property and investments
Miscellaneous property and investments
Total other property and investments
Deferred Charges and Other Assets:
Operating lease right-of-use assets, net of amortization
Operating lease right-of-use assets, net of amortization
Operating lease right-of-use assets, net of amortization
Deferred charges related to income taxes
Prepaid pension costs
Unamortized loss on reacquired debt
Unamortized loss on reacquired debt
Unamortized loss on reacquired debt
Deferred under recovered retail fuel clause revenues
Regulatory assets – asset retirement obligations, deferred

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Other regulatory assets, deferred	
Other deferred charges and assets	
Other deferred charges and assets	
Other deferred charges and assets	
Total deferred charges and other assets	
Total Assets	

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Southern Company and Subsidiary Companies

Liabilities and Stockholders' Equity	**Liabilities and Stockholders' Equity**	**2023**	2022	**Liabilities and Stockholders' Equity**	**2024**	2023
				(in millions)		
Current Liabilities:						
Securities due within one year						
Securities due within one year						
Securities due within one year						
Notes payable						
Notes payable						
Notes payable						
Accounts payable						
Accounts payable						
Accounts payable						
Customer deposits						
Accrued taxes —						
Accrued income taxes						
Accrued income taxes						
Accrued income taxes						
Other accrued taxes						
Other accrued taxes						
Other accrued taxes						
Accrued interest						
Accrued compensation						
Accrued compensation						
Accrued compensation						
Asset retirement obligations						
Liabilities from risk management activities, net of collateral						
Operating lease obligations						
Operating lease obligations						
Operating lease obligations						
Natural gas cost over recovery						
Other regulatory liabilities						
Other current liabilities						
Other current liabilities						
Other current liabilities						
Total current liabilities						
Long-Term Debt						

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Deferred Credits and Other Liabilities:			
Accumulated deferred income taxes			
Accumulated deferred income taxes			
Accumulated deferred income taxes			
Deferred credits related to income taxes			
Accumulated deferred ITCs			
Employee benefit obligations			
Operating lease obligations, deferred			
Asset retirement obligations, deferred			
Other cost of removal obligations			
Other cost of removal obligations			
Other cost of removal obligations			
Other regulatory liabilities, deferred			
Other deferred credits and liabilities			
Other deferred credits and liabilities			
Other deferred credits and liabilities			
Total deferred credits and other liabilities			
Total Liabilities			
Common Stockholders' Equity:			
Common Stockholders' Equity:			
Common Stockholders' Equity:			
Common stock, par value $5 per share (Authorized - 1.5 billion shares)			
Common stock, par value $5 per share (Authorized - 1.5 billion shares)			
Common stock, par value $5 per share (Authorized - 1.5 billion shares)			
(Issued - 1.1 billion shares; Treasury - 1.0 million shares)			
Paid-in capital			
Paid-in capital			
Paid-in capital			
Treasury, at cost			
Retained earnings			
Accumulated other comprehensive loss			
Total common stockholders' equity			
Noncontrolling interests			
Total Stockholders' Equity (See accompanying statements)			
Total Liabilities and Stockholders' Equity			
Commitments and Contingent Matters (See notes)	**Commitments and Contingent Matters** (See notes)		**Commitments and Contingent Matters** (See notes)

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company and Subsidiary Companies

	Southern Company Common Stockholders' Equity
	Southern Company Common Stockholders' Equity
	Southern Company Common Stockholders' Equity

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	Number of Common Shares	Number of Common Shares	Common Stock				Accumulated Other Comprehensive				Common Stock				Accumulated Other Comprehensive			
	Issued	Issued	Treasury	Par Value	Paid-In Capital	Treasury	Income (Loss)	Retained Earnings	Noncontrolling Interests	Total	Issued	Treasury	Par Value	Paid-In Capital	Income (Loss)	Treasury	Noncontrolling Interests	Retained Earnings	Total
	(in millions)																	
Balance at December 31, 2020																		
Consolidated net income (loss)																		
Other comprehensive income																		
Stock issued																		
Stock issued																		
Stock issued																		
Stock-based compensation																		
Cash dividends of $2.6200 per share																		
Cash dividends of $2.6200 per share																		
Cash dividends of $2.6200 per share																		
Capital contributions from noncontrolling interests																		
Capital contributions from noncontrolling interests																		
Capital contributions from noncontrolling interests																		
Distributions to noncontrolling interests																		
Other																		
Other																		
Other																		
Balance at December 31, 2021																		
Consolidated net income (loss)																		
Other comprehensive income																		
Stock issued																		
Stock issued																		
Stock issued																		

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Stock-based compensation	
Cash dividends of $2.7000 per share	
Cash dividends of $2.7000 per share	
Cash dividends of $2.7000 per share	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Distributions to noncontrolling interests	
Other	
Other	
Other	
Balance at December 31, 2022	
Consolidated net income (loss)	
Other comprehensive income (loss)	
Stock issued	
Stock issued	
Stock issued	
Stock-based compensation	
Cash dividends of $2.7800 per share	
Cash dividends of $2.7800 per share	
Cash dividends of $2.7800 per share	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Distributions to noncontrolling interests	
Other	
Other	
Other	
Balance at December 31, 2023	

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Consolidated net income (loss)	
Other comprehensive income	
Stock issued	
Stock issued	
Stock issued	
Stock-based compensation	
Dividends of $2.8600 per share	
Dividends of $2.8600 per share	
Dividends of $2.8600 per share	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Distributions to noncontrolling interests	
Other	
Other	
Other	
Balance at December 31, 2024	

The accompanying notes are an integral part of these consolidated financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Alabama Power Company

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Alabama Power Company (Alabama Power) (a wholly-owned subsidiary of The Southern Company) as of December 31, 2023 December 31, 2024 and 2022, 2023, the related statements of income, comprehensive income, common stockholder's equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, the related notes, and the financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Alabama Power as of December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of Alabama Power's management. Our responsibility is to express an opinion on Alabama Power's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Alabama Power in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Alabama Power is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of Alabama Power's internal control over financial reporting. Accordingly, we express no such opinion.

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Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Audit Committee of Southern Company's Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impact of Rate Regulation on the Financial Statements – Refer to Note 1 (Summary of Significant Accounting Policies – Regulatory Assets and Liabilities) and Note 2 (Regulatory Matters – Alabama Power) to the financial statements

Critical Audit Matter Description

Alabama Power is subject to retail rate regulation by the Alabama Public Service Commission and wholesale regulation by the Federal Energy Regulatory Commission (collectively, the "Commissions"). Management has determined that it meets the requirements under accounting principles generally accepted in the United States of America to utilize specialized rules to account for the effects of rate regulation in the preparation of its financial statements. Accounting for the economics of rate regulation may impact multiple financial statement line items and disclosures.

The Commissions set the rates Alabama Power is permitted to charge customers. Rates are determined and approved in regulatory proceedings based on an analysis of Alabama Power's costs to provide utility service and a return on, and recovery of, its investment in the utility business. Current and future regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investments, and the timing and amount of assets to be recovered through rates. The Commissions' regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. While Alabama Power expects to recover costs from customers through regulated rates, there is a risk that the Commissions will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of all amounts invested in the utility business and a reasonable return on those investments.

We identified the impact of rate regulation related to certain assets and liabilities as a critical audit matter due to the significant judgments made by management to support its assertions about impacted account balances and disclosures and/or the high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs. Management judgments include assessing the likelihood of (1) recovery in future rates of incurred costs, (2) a disallowance of part of the cost of recently completed plant or plant under construction, and/or (3) a refund to customers. Auditing these judgments, which include assumptions about the outcome of future decisions by the Commissions, required specialized knowledge of accounting for rate regulations and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the impact of rate regulation on certain assets and liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of certain incurred costs and (2) refunds or future reductions in rates that should be reported as regulatory liabilities; and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering certain costs in future rates or of a future reduction in rates. We also tested the effectiveness of management's controls over the initial recognition of regulatory assets or liabilities.
- We read and evaluated relevant regulatory orders and/or other relevant publicly available information to assess the likelihood of recovery of certain incurred costs in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.
- We tested certain incurred costs recorded as regulatory assets or liabilities during the period for completeness and accuracy.
- We obtained representation from management regarding the likelihood of recoverability of incurred costs and potential refund or future reduction in rates for regulatory liabilities to assess management's assertions about the likelihood of recovery, refund, or a future reduction in rates.
- We evaluated Alabama Power's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments, including where there is a high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs.

/s/ Deloitte & Touche LLP
Birmingham, Alabama
February 14, 2024 19, 2025

We have served as Alabama Power's auditor since 2002.

STATEMENTS OF INCOME

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For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Alabama Power Company

	2023	2022	2021
	2024	2023	2022
		(in millions)	
Operating Revenues:			
Retail revenues			
Retail revenues			
Retail revenues			
Wholesale revenues, non-affiliates			
Wholesale revenues, affiliates			
Other revenues			
Total operating revenues			
Operating Expenses:			
Fuel			
Fuel			
Fuel			
Purchased power, non-affiliates			
Purchased power, affiliates			
Other operations and maintenance			
Depreciation and amortization			
Taxes other than income taxes			
Total operating expenses			
Operating Income			
Other Income and (Expense):			
Allowance for equity funds used during construction			
Allowance for equity funds used during construction			
Allowance for equity funds used during construction			
Interest expense, net of amounts capitalized			
Interest expense, net of amounts capitalized			
Interest expense, net of amounts capitalized			
Other income (expense), net			
Total other income and (expense)			
Earnings Before Income Taxes			
Income taxes			
Net Income			
Dividends on Preferred Stock			
Net Income After Dividends on Preferred Stock			

STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Alabama Power Company

	2023	2022	2021
	2024	2023	2022
		(in millions)	
Net Income			
Other comprehensive income:			
Qualifying hedges:			
Qualifying hedges:			
Qualifying hedges:			

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Changes in fair value, net of tax of $—, $—, and $1, respectively	
Changes in fair value, net of tax of $—, $—, and $1, respectively	
Changes in fair value, net of tax of $—, $—, and $1, respectively	
Reclassification adjustment for amounts included in net income, net of tax of $1, $2, and $2, respectively	
Changes in fair value, net of tax of $—, $—, and $—, respectively	
Changes in fair value, net of tax of $—, $—, and $—, respectively	
Changes in fair value, net of tax of $—, $—, and $—, respectively	
Reclassification adjustment for amounts included in net income, net of tax of $1, $1, and $2, respectively	
Total other comprehensive income	
Comprehensive Income	

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Alabama Power Company

	2023	2022	2021	2024	2023	2022
	(in millions)			*(in millions)*		
Operating Activities:						
Net income						
Net income						
Net income						
Adjustments to reconcile net income to net cash provided from operating activities —						
Depreciation and amortization, total						
Depreciation and amortization, total						
Depreciation and amortization, total						
Deferred income taxes						
Allowance for equity funds used during construction						
Pension, postretirement, and other employee benefits						
Settlement of asset retirement obligations						
Settlement of asset retirement obligations						
Settlement of asset retirement obligations						
Natural disaster reserve and reliability reserve accruals						
Retail fuel cost under recovery – long-term						
Retail fuel cost under recovery – long-term						
Retail fuel cost under recovery – long-term						
Other, net						
Other, net						
Other, net						
Changes in certain current assets and liabilities —						
-Receivables						
-Receivables						
-Receivables						
-Fossil fuel stock						
-Materials and supplies						
-Materials and supplies						

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-Materials and supplies
-Retail fuel cost under recovery
-Other current assets
-Accounts payable
-Customer refunds
-Other current liabilities
-Customer refunds
-Other current liabilities
-Customer refunds
-Other current liabilities
Net cash provided from operating activities
Investing Activities:
Property additions
Property additions
Property additions
Nuclear decommissioning trust fund purchases
Nuclear decommissioning trust fund sales
Cost of removal net of salvage
Change in construction payables
Change in construction payables, net of joint owner portion
Other investing activities
Net cash used for investing activities
Financing Activities:
Increase in notes payable, net
Increase in notes payable, net
Increase in notes payable, net
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Proceeds —
Senior notes
Senior notes
Senior notes
Revenue bonds
Revenue bonds
Revenue bonds
Short-term borrowings
Other long-term debt
Redemptions and repurchases —
Senior notes
Senior notes
Senior notes
Preferred stock
Revenue bonds
Short-term borrowings
Other long-term debt
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Payment of common stock dividends
Other financing activities

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Net cash provided from (used for) financing activities	
Net Change in Cash, Cash Equivalents, and Restricted Cash	
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year	
Cash, Cash Equivalents, and Restricted Cash at End of Year	
Supplemental Cash Flow Information:	
Cash paid during the period for —	
Cash paid during the period for —	
Cash paid during the period for —	
Interest (net of $27, $20, and $15 capitalized, respectively)	
Interest (net of $27, $20, and $15 capitalized, respectively)	
Interest (net of $27, $20, and $15 capitalized, respectively)	
Interest (net of $18, $27, and $20 capitalized, respectively)	
Interest (net of $18, $27, and $20 capitalized, respectively)	
Interest (net of $18, $27, and $20 capitalized, respectively)	
Income taxes, net	
Noncash transactions — Accrued property additions at year-end	

The accompanying notes are an integral part of these financial statements.

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BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Alabama Power Company

Assets	**Assets**	**2023**	2022	**Assets**	**2024**	2023
				(in millions)		
Current Assets:						
Cash and cash equivalents						
Cash and cash equivalents						
Cash and cash equivalents						
Receivables —						
Customer accounts						
Customer accounts						
Customer accounts						
Unbilled revenues						
Affiliated						
Affiliated						
Affiliated						
Other accounts and notes						
Accumulated provision for uncollectible accounts						
Fossil fuel stock						
Materials and supplies						
Prepaid expenses						
Prepaid expenses						
Prepaid expenses						
Regulatory assets – under recovered retail fuel clause revenues						
Other regulatory assets						
Other current assets						
Total current assets						
Property, Plant, and Equipment:						
In service						
In service						

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In service	
Less: Accumulated provision for depreciation	
Plant in service, net of depreciation	
Other utility plant, net	
Nuclear fuel, at amortized cost	
Construction work in progress	
Total property, plant, and equipment	
Other Property and Investments:	
Nuclear decommissioning trusts, at fair value	
Nuclear decommissioning trusts, at fair value	
Nuclear decommissioning trusts, at fair value	
Equity investments in unconsolidated subsidiaries	
Miscellaneous property and investments	
Total other property and investments	
Deferred Charges and Other Assets:	
Operating lease right-of-use assets, net of amortization	
Operating lease right-of-use assets, net of amortization	
Operating lease right-of-use assets, net of amortization	
Deferred charges related to income taxes	
Prepaid pension and other postretirement benefit costs	
Regulatory assets – asset retirement obligations	
Regulatory assets – asset retirement obligations	
Regulatory assets – asset retirement obligations	
Other regulatory assets, deferred	
Other deferred charges and assets	
Other deferred charges and assets	
Other deferred charges and assets	
Total deferred charges and other assets	
Total Assets	

The accompanying notes are an integral part of these financial statements.

BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Alabama Power Company

Liabilities and Stockholder's Equity	**Liabilities and Stockholder's Equity**	**2023**	2022	**Liabilities and Stockholder's Equity**	**2024**	2023
				(in millions)		
Current Liabilities:						
Securities due within one year						
Securities due within one year						
Securities due within one year						
Notes payable						
Accounts payable —						
Affiliated						
Affiliated						
Affiliated						

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Other			
Customer deposits			
Accrued taxes			
Accrued taxes			
Accrued taxes			
Accrued interest			
Accrued compensation			
Accrued compensation			
Accrued compensation			
Asset retirement obligations			
Asset retirement obligations			
Asset retirement obligations			
Other regulatory liabilities			
Other current liabilities			
Total current liabilities			
Long-Term Debt			
Deferred Credits and Other Liabilities:			
Accumulated deferred income taxes			
Accumulated deferred income taxes			
Accumulated deferred income taxes			
Deferred credits related to income taxes			
Accumulated deferred ITCs			
Employee benefit obligations			
Operating lease obligations			
Asset retirement obligations, deferred			
Other regulatory liabilities, deferred			
Other regulatory liabilities, deferred			
Other regulatory liabilities, deferred			
Other deferred credits and liabilities			
Other deferred credits and liabilities			
Other deferred credits and liabilities			
Total deferred credits and other liabilities			
Total Liabilities			
Common Stockholder's Equity:			
Common Stockholder's Equity:			
Common Stockholder's Equity:			
Common stock, par value $40 per share (Authorized - 40 million shares; Outstanding - 31 million shares)			
Common stock, par value $40 per share (Authorized - 40 million shares; Outstanding - 31 million shares)			
Common stock, par value $40 per share (Authorized - 40 million shares; Outstanding - 31 million shares)			
Paid-in capital			
Retained earnings			
Accumulated other comprehensive loss			
Total common stockholder's equity (See accompanying statements)			
Total Liabilities and Stockholder's Equity			
Commitments and Contingent Matters (See notes)	**Commitments and Contingent Matters** (See notes)		**Commitments and Contingent Matters** (See notes)

The accompanying notes are an integral part of these financial statements.

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STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Alabama Power Company

	Number of Common Shares Issued	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
					(in millions)								
Balance at December 31, 2020													
Net income after dividends on preferred stock													
Capital contributions from parent company													
Other comprehensive income													
Cash dividends on common stock													
Balance at December 31, 2021													
Balance at December 31, 2021													
Balance at December 31, 2021													
Net income after dividends on preferred stock													
Capital contributions from parent company													
Other comprehensive income													
Cash dividends on common stock													
Other													
Balance at December 31, 2022													
Net income after dividends on preferred stock													
Capital contributions from parent company													
Other comprehensive income													
Cash dividends on common stock													
Balance at December 31, 2023													
Balance at December 31, 2023													
Balance at December 31, 2023													
Net income after dividends on preferred stock													
Capital contributions from parent company													
Other comprehensive income													
Cash dividends on common stock													
Balance at December 31, 2024													
Balance at December 31, 2024													
Balance at December 31, 2024													

The accompanying notes are an integral part of these financial statements.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholder and the Board of Directors of Georgia Power Company

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Georgia Power Company (Georgia Power) (a wholly-owned subsidiary of The Southern Company) as of December 31, 2023 December 31, 2024 and 2022, 2023, the related statements of income, comprehensive income, common stockholder's equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, the related notes, and the financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Georgia Power as of December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of Georgia Power's management. Our responsibility is to express an opinion on Georgia Power's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Georgia Power in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Georgia Power is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of Georgia Power's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Audit Committee of Southern Company's Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impact of Rate Regulation on the Financial Statements – Refer to Note 1 (Summary of Significant Accounting Policies – Regulatory Assets and Liabilities) and Note 2 (Regulatory Matters – Georgia Power) to the financial statements

Critical Audit Matter Description

Georgia Power is subject to retail rate regulation by the Georgia Public Service Commission and wholesale regulation by the Federal Energy Regulatory Commission (collectively, the "Commissions"). Management has determined that it meets the requirements under accounting principles generally accepted in the United States of America to utilize specialized rules to account for the effects of rate regulation in the preparation of its financial statements. Accounting for the economics of rate regulation may impact multiple financial statement line items and disclosures.

The Commissions set the rates Georgia Power is permitted to charge customers. Rates are determined and approved in regulatory proceedings based on an analysis of Georgia Power's costs to provide utility service and a return on, and recovery of, its investment in the utility business. Current and future regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investments, and the timing and amount of assets to be recovered through rates. The Commissions' regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. While Georgia Power expects to recover costs from customers through regulated rates, there is a risk that the Commissions will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of all amounts invested in the utility business and a reasonable return on those investments.

We identified the impact of rate regulation related to certain assets and liabilities as a critical audit matter due to the significant judgments made by management to support its assertions about impacted account balances and disclosures and/or the high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs. Management judgments include assessing the likelihood of (1) recovery in future rates of incurred costs, (2) a disallowance of part of the cost of recently completed plant or plant under construction, and/or (3) a refund to customers. Auditing these judgments, which include assumptions about the outcome of future decisions by the Commissions, required specialized knowledge of accounting for rate regulations and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the impact of rate regulation on certain assets and liabilities included the following, among others:

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- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of certain incurred costs and (2) refunds or future reductions in rates that should be reported as regulatory liabilities; and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering certain costs in future rates or of a future reduction in rates. We also tested the effectiveness of management's controls over the initial recognition of certain regulatory assets or liabilities.
- We read and evaluated relevant regulatory orders issued and/or other relevant publicly available information to assess the likelihood of recovery of certain incurred costs in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.
- We tested certain incurred costs recorded as regulatory assets or liabilities during the period for completeness and accuracy.
- We obtained representation from management regarding the likelihood of recoverability of incurred costs and potential refund or future reduction in rates to assess management's assertions about the likelihood of recovery, refund, or a future reduction in rates.
- We evaluated Georgia Power's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments, including where there is a high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

We have served as Georgia Power's auditor since 2002.

STATEMENTS OF INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Georgia Power Company

	2023 **2024**	2022 2023	2021 2022
		(in millions)	
Operating Revenues:			
Retail revenues			
Retail revenues			
Retail revenues			
Wholesale revenues			
Other revenues			
Other revenues			
Other revenues			
Total operating revenues			
Operating Expenses:			
Fuel			
Fuel			
Fuel			
Purchased power, non-affiliates			
Purchased power, affiliates			
Other operations and maintenance			
Depreciation and amortization			
Taxes other than income taxes			
Estimated loss on Plant Vogtle Units 3 and 4			
Total operating expenses			
Operating Income			
Other Income and (Expense):			
Allowance for equity funds used during construction			
Allowance for equity funds used during construction			
Allowance for equity funds used during construction			

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Interest expense, net of amounts capitalized
Other income (expense), net
Total other income and (expense)
Earnings Before Income Taxes
Income taxes (benefit)
Income taxes
Net Income

STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Georgia Power Company

	2023	2022	2021
	2024	2023	2022
		(in millions)	
Net Income			
Other comprehensive income:			
Qualifying hedges:			
Qualifying hedges:			
Qualifying hedges:			
Changes in fair value, net of tax of $(1), $8, and $—, respectively			
Changes in fair value, net of tax of $(1), $8, and $—, respectively			
Changes in fair value, net of tax of $(1), $8, and $—, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $2, $2, and $2, respectively			
Changes in fair value, net of tax of $6, $(1), and $8, respectively			
Changes in fair value, net of tax of $6, $(1), and $8, respectively			
Changes in fair value, net of tax of $6, $(1), and $8, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $1, $2, and $2, respectively			
Total other comprehensive income			
Comprehensive Income			

The accompanying notes are an integral part of these financial statements.

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STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Georgia Power Company

	2023	2022	2021	**2024**	2023	2022
	(in millions)			*(in millions)*		
Operating Activities:						
Net income						
Net income						
Net income						
Adjustments to reconcile net income to net cash provided from operating activities —						
Depreciation and amortization, total						
Depreciation and amortization, total						
Depreciation and amortization, total						
Deferred income taxes						

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Allowance for equity funds used during construction
Allowance for equity funds used during construction
Allowance for equity funds used during construction
Pension, postretirement, and other employee benefits
Pension, postretirement, and other employee benefits
Pension, postretirement, and other employee benefits
Settlement of asset retirement obligations
Settlement of asset retirement obligations
Settlement of asset retirement obligations
Storm damage accruals
Estimated loss on Plant Vogtle Units 3 and 4
Retail fuel cost under recovery – long-term
Estimated loss on Plant Vogtle Units 3 and 4
Storm damage cost recovery – long-term
Estimated loss on Plant Vogtle Units 3 and 4
Storm damage cost recovery – long-term
Estimated loss on Plant Vogtle Units 3 and 4
Storm damage cost recovery – long-term
Other, net
Changes in certain current assets and liabilities —
-Receivables
-Receivables
-Receivables
-Retail fuel cost under recovery
-Fossil fuel stock
-Materials and supplies
-Other current assets
-Other current assets
-Other current assets
-Accounts payable
-Accrued taxes
-Retail fuel cost over recovery
-Retail fuel cost over recovery
-Retail fuel cost over recovery
-Customer refunds
-Customer refunds
-Customer refunds
-Other current liabilities
Net cash provided from operating activities
Investing Activities:
Property additions
Property additions
Property additions
Nuclear decommissioning trust fund purchases
Nuclear decommissioning trust fund purchases
Nuclear decommissioning trust fund purchases
Nuclear decommissioning trust fund sales
Cost of removal, net of salvage
Change in construction payables, net of joint owner portion
Payments pursuant to LTSAs
Proceeds from dispositions

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Proceeds from dispositions

Proceeds from dispositions

Other investing activities

Net cash used for investing activities

Financing Activities:

Increase (decrease) in notes payable, net

Increase (decrease) in notes payable, net

Increase (decrease) in notes payable, net

Proceeds —

Senior notes

Senior notes

Senior notes

Short-term borrowings

FFB loan

Revenue bonds

Revenue bonds

Revenue bonds

Redemptions and repurchases —

Redemptions and repurchases —

Redemptions and repurchases —

Senior notes

Senior notes

Senior notes

Short-term borrowings

FFB loan

Revenue bonds

Other long-term debt

Other long-term debt

Other long-term debt

Capital contributions from parent company

Capital contributions from parent company

Capital contributions from parent company

Payment of common stock dividends

Other financing activities

Other financing activities

Other financing activities

Net cash provided from financing activities

Net Change in Cash, Cash Equivalents, and Restricted Cash

Cash, Cash Equivalents, and Restricted Cash at Beginning of Year

Cash, Cash Equivalents, and Restricted Cash at End of Year

Supplemental Cash Flow Information:

Cash paid during the period for —

Cash paid during the period for —

Cash paid during the period for —

Interest (net of $86, $73, and $63 capitalized, respectively)

Interest (net of $86, $73, and $63 capitalized, respectively)

Interest (net of $86, $73, and $63 capitalized, respectively)

Income taxes, net

Cash paid (received) during the period for —

Cash paid (received) during the period for —

Cash paid (received) during the period for —

Interest (net of $57, $86, and $73 capitalized, respectively)

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Interest (net of $57, $86, and $73 capitalized, respectively)	
Interest (net of $57, $86, and $73 capitalized, respectively)	
Income taxes, net (excludes credit transfers)	
Noncash transactions — Accrued property additions at year-end	
Noncash transactions — Accrued property additions at year-end	
Noncash transactions — Accrued property additions at year-end	

The accompanying notes are an integral part of these financial statements.

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BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Georgia Power Company

Assets	**Assets**	**2023**	2022	**Assets**	**2024**	2023
			(in millions)			
Current Assets:						
Cash and cash equivalents						
Cash and cash equivalents						
Cash and cash equivalents						
Receivables —						
Receivables —						
Receivables —						
Customer accounts, net						
Customer accounts, net						
Customer accounts, net						
Unbilled revenues						
Under recovered retail fuel clause revenues						
Joint owner accounts						
Affiliated						
Affiliated						
Affiliated						
Other accounts and notes						
Fossil fuel stock						
Fossil fuel stock						
Fossil fuel stock						
Materials and supplies						
Regulatory assets – asset retirement obligations						
Regulatory assets – asset retirement obligations						
Regulatory assets – asset retirement obligations						
Other regulatory assets						
Other current assets						
Total current assets						
Property, Plant, and Equipment:						
In service						
In service						
In service						
Less: Accumulated provision for depreciation						
Plant in service, net of depreciation						
Nuclear fuel, at amortized cost						

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Nuclear fuel, at amortized cost
Nuclear fuel, at amortized cost
Construction work in progress
Total property, plant, and equipment
Other Property and Investments:
Nuclear decommissioning trusts, at fair value
Nuclear decommissioning trusts, at fair value
Nuclear decommissioning trusts, at fair value
Equity investments in unconsolidated subsidiaries
Miscellaneous property and investments
Total other property and investments
Deferred Charges and Other Assets:
Operating lease right-of-use assets, net of amortization
Operating lease right-of-use assets, net of amortization
Operating lease right-of-use assets, net of amortization
Deferred charges related to income taxes
Prepaid pension costs
Deferred under recovered retail fuel clause revenues
Deferred under recovered retail fuel clause revenues
Deferred under recovered retail fuel clause revenues
Regulatory assets – asset retirement obligations, deferred
Other regulatory assets, deferred
Other deferred charges and assets
Other deferred charges and assets
Other deferred charges and assets
Total deferred charges and other assets
Total Assets

The accompanying notes are an integral part of these financial statements.

BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Georgia Power Company

Liabilities and Stockholder's Equity	**Liabilities and Stockholder's Equity**	**2023**	2022	**Liabilities and Stockholder's Equity**	**2024**	2023
				(in millions)		
Current Liabilities:						
Securities due within one year						
Securities due within one year						
Securities due within one year						
Notes payable						
Accounts payable —						
Affiliated						
Affiliated						
Affiliated						
Other						
Customer deposits						
Accrued taxes						

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Accrued taxes		
Accrued taxes		
Accrued interest		
Accrued compensation		
Accrued compensation		
Accrued compensation		
Operating lease obligations		
Asset retirement obligations		
Other regulatory liabilities		
Other regulatory liabilities		
Other regulatory liabilities		
Other current liabilities		
Total current liabilities		
Long-Term Debt		
Deferred Credits and Other Liabilities:		
Accumulated deferred income taxes		
Accumulated deferred income taxes		
Accumulated deferred income taxes		
Deferred credits related to income taxes		
Accumulated deferred ITCs		
Employee benefit obligations		
Operating lease obligations, deferred		
Asset retirement obligations, deferred		
Other deferred credits and liabilities		
Other deferred credits and liabilities		
Other deferred credits and liabilities		
Total deferred credits and other liabilities		
Total Liabilities		
Common Stockholder's Equity:		
Common stock, without par value (Authorized - 20 million shares; Outstanding - 9 million shares)		
Common stock, without par value (Authorized - 20 million shares; Outstanding - 9 million shares)		
Common stock, without par value (Authorized - 20 million shares; Outstanding - 9 million shares)		
Paid-in capital		
Retained earnings		
Accumulated other comprehensive loss		
Accumulated other comprehensive income (loss)		
Total common stockholder's equity (See accompanying statements)		
Total Liabilities and Stockholder's Equity		
Commitments and Contingent Matters (See notes)	**Commitments and Contingent Matters** (See notes)	**Commitments and Contingent Matters** (See notes)

The accompanying notes are an integral part of these financial statements.

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STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022

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Georgia Power Company

	Number of Common Shares Issued	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
			(in millions)										
Balance at December 31, 2020													
Net income													
Capital contributions from parent company													
Other comprehensive income													
Cash dividends on common stock													
Balance at December 31, 2021													
Balance at December 31, 2021													
Balance at December 31, 2021													
Net income													
Capital contributions from parent company													
Other comprehensive income													
Cash dividends on common stock													
Other													
Balance at December 31, 2022													
Net income													
Capital contributions from parent company													
Other comprehensive income													
Cash dividends on common stock													
Balance at December 31, 2023													
Balance at December 31, 2023													
Balance at December 31, 2023													
Net income													
Capital contributions from parent company													
Other comprehensive income													

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Cash dividends on common stock	
Other	
Balance at December 31, 2024	

The accompanying notes are an integral part of these financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholder and the Board of Directors of Mississippi Power Company

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Mississippi Power Company (Mississippi Power) (a wholly-owned subsidiary of The Southern Company) as of December 31, 2023 December 31, 2024 and 2022, 2023, the related statements of income, comprehensive income, common stockholder's equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, the related notes, and the financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Mississippi Power as of December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of Mississippi Power's management. Our responsibility is to express an opinion on Mississippi Power's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Mississippi Power in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Mississippi Power is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of Mississippi Power's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Audit Committee of Southern Company's Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impact of Rate Regulation on the Financial Statements – Refer to Note 1 (Summary of Significant Accounting Policies – Regulatory Assets and Liabilities) and Note 2 (Regulatory Matters – Mississippi Power) to the financial statements

Critical Audit Matter Description

Mississippi Power is subject to retail rate regulation by the Mississippi Public Service Commission and wholesale regulation by the Federal Energy Regulatory Commission (collectively, the "Commissions"). Management has determined that it meets the requirements under accounting principles generally accepted in the United States of America to utilize specialized rules to account for the effects of rate regulation in the preparation of its financial statements. Accounting for the economics of rate regulation may impact multiple financial statement line items and disclosures.

The Commissions set the rates Mississippi Power is permitted to charge customers. Rates are determined and approved in regulatory proceedings based on an analysis of Mississippi Power's costs to provide utility service and a return on, and recovery of, its investment in the utility business. Current and future regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investments, and the timing and amount of assets to be recovered through rates. The Commissions' regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. While Mississippi Power expects to recover costs from customers through regulated rates, there is a risk that the Commissions will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of all amounts invested in the utility business and a reasonable return on those investments.

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We identified the impact of rate regulation related to certain assets and liabilities as a critical audit matter due to the significant judgments made by management to support its assertions about impacted account balances and disclosures and/or the high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs. Management judgments include assessing the likelihood of (1) recovery in future rates of incurred costs, (2) a disallowance of part of the cost of recently completed plant or plant under construction, and/or (3) a refund to customers. Auditing these judgments, which include assumptions about the outcome of future decisions by the Commissions, required specialized knowledge of accounting for rate regulations and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the impact of rate regulation on certain assets and liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of certain incurred costs and (2) refunds or future reductions in rates that should be reported as regulatory liabilities; and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering certain costs in future rates or of a future reduction in rates. We also tested the effectiveness of management's controls over the initial recognition of regulatory assets or liabilities.
- We read and evaluated relevant regulatory orders and/or other relevant publicly available information to assess the likelihood of recovery of certain incurred costs in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.
- We tested certain incurred costs recorded as regulatory assets or liabilities during the period for completeness and accuracy.
- We obtained representation from management regarding the likelihood of recoverability of incurred costs and potential refund or future reduction in rates to assess management's assertions about the likelihood of recovery, refund, or a future reduction in rates.
- We evaluated Mississippi Power's disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments, including where there is a high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

We have served as Mississippi Power's auditor since 2002.

STATEMENTS OF INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Mississippi Power Company

	2023	2022	2021
	2024	2023	2022
			(in millions)
Operating Revenues:			
Retail revenues			
Retail revenues			
Retail revenues			
Wholesale revenues, non-affiliates			
Wholesale revenues, affiliates			
Other revenues			
Total operating revenues			
Operating Expenses:			
Fuel and purchased power			
Fuel and purchased power			
Fuel and purchased power			
Other operations and maintenance			
Other operations and maintenance			
Other operations and maintenance			
Depreciation and amortization			

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Taxes other than income taxes	
Total operating expenses	
Total operating expenses	
Total operating expenses	
Operating Income	
Other Income and (Expense):	
Interest expense, net of amounts capitalized	
Interest expense, net of amounts capitalized	
Interest expense, net of amounts capitalized	
Other income (expense), net	
Total other income and (expense)	
Earnings Before Income Taxes	
Income taxes	
Net Income	

STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Mississippi Power Company

	2023	2022	2021
	2024	2023	2022
		(in millions)	
Net Income			
Other comprehensive income:			
Qualifying hedges:			
Qualifying hedges:			
Qualifying hedges:			
Changes in fair value, net of tax of $2, $—, and $—, respectively			
Changes in fair value, net of tax of $2, $—, and $—, respectively			
Changes in fair value, net of tax of $2, $—, and $—, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $—, $—, and $—, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $—, $—, and $—, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $—, $—, and $—, respectively			
Total other comprehensive income			
Total other comprehensive income			
Total other comprehensive income			
Comprehensive Income			

The accompanying notes are an integral part of these financial statements.

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STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Mississippi Power Company

	2023	2022	2021	**2024**	2023	2022
	(in millions)			*(in millions)*		
Operating Activities:						

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Net income
Net income
Net income
Adjustments to reconcile net income to net cash provided from operating activities —
Depreciation and amortization, total
Depreciation and amortization, total
Depreciation and amortization, total
Deferred income taxes
Pension, postretirement, and other employee benefits
Pension, postretirement, and other employee benefits
Pension, postretirement, and other employee benefits
Settlement of asset retirement obligations
Settlement of asset retirement obligations
Settlement of asset retirement obligations
System restoration rider and reliability reserve accruals
System restoration rider and reliability reserve accruals
System restoration rider and reliability reserve accruals
Retail fuel cost under recovery – long-term
Other, net
Changes in certain current assets and liabilities —
-Receivables
-Receivables
-Receivables
-Materials and supplies
-Materials and supplies
-Materials and supplies
-Other current assets
-Other current assets
-Other current assets
-Accounts payable
-Accrued taxes
-Accrued taxes
-Accrued taxes
-Retail fuel cost over recovery
-Retail fuel cost over recovery
-Retail fuel cost over recovery
-Other current liabilities
-Other current liabilities
-Other current liabilities
Net cash provided from operating activities
Investing Activities:
Property additions
Property additions
Property additions
Cost of removal net of salvage
Cost of removal net of salvage
Cost of removal net of salvage
Change in construction payables, net of joint owner portion
Payments pursuant to LTSAs
Payments pursuant to LTSAs

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Payments pursuant to LTSAs
Other investing activities
Other investing activities
Other investing activities
Net cash used for investing activities
Financing Activities:
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Proceeds —
Senior notes
Senior notes
Senior notes
Revenue bonds
Revenue bonds
Revenue bonds
Redemptions —
Redemptions —
Redemptions —
Redemptions — Senior notes
Redemptions — Senior notes
Redemptions — Senior notes
Revenue bonds
Capital contributions from parent company
Revenue bonds
Capital contributions from parent company
Revenue bonds
Other long-term debt
Other long-term debt
Other long-term debt
Capital contributions from parent company
Payment of common stock dividends
Payment of common stock dividends
Payment of common stock dividends
Other financing activities
Net cash provided from (used for) financing activities
Net cash used for financing activities
Net Change in Cash, Cash Equivalents, and Restricted Cash
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year
Cash, Cash Equivalents, and Restricted Cash at End of Year
Supplemental Cash Flow Information:
Cash paid during the period for —
Cash paid during the period for —
Cash paid during the period for —
Interest
Interest
Interest
Income taxes, net
Noncash transactions — Accrued property additions at year-end
Noncash transactions — Accrued property additions at year-end
Noncash transactions — Accrued property additions at year-end

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The accompanying notes are an integral part of these financial statements.

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BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Mississippi Power Company

Assets	Assets 2023	2022	Assets 2024	2023
			(in millions)	
Current Assets:				
Cash and cash equivalents				
Cash and cash equivalents				
Cash and cash equivalents				
Receivables —				
Customer accounts, net				
Customer accounts, net				
Customer accounts, net				
Unbilled revenues				
Affiliated				
Affiliated				
Affiliated				
Other accounts and notes				
Fossil fuel stock				
Fossil fuel stock				
Fossil fuel stock				
Materials and supplies				
Other regulatory assets				
Other current assets				
Other current assets				
Other current assets				
Total current assets				
Property, Plant, and Equipment:				
In service				
In service				
In service				
Less: Accumulated provision for depreciation				
Plant in service, net of depreciation				
Construction work in progress				
Total property, plant, and equipment				
Other Property and Investments				
Deferred Charges and Other Assets:				
Deferred charges related to income taxes				
Deferred charges related to income taxes				
Deferred charges related to income taxes				
Prepaid pension costs				
Deferred under recovered retail fuel clause revenues				
Regulatory assets – asset retirement obligations				
Other regulatory assets, deferred				
Accumulated deferred income taxes				

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Accumulated deferred income taxes	
Accumulated deferred income taxes	
Other deferred charges and assets	
Other deferred charges and assets	
Other deferred charges and assets	
Total deferred charges and other assets	
Total Assets	

The accompanying notes are an integral part of these financial statements.

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BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Mississippi Power Company

Liabilities and Stockholder's Equity	**Liabilities and Stockholder's Equity**	**2023**	2022	**Liabilities and Stockholder's Equity**	**2024**	2023
				(in millions)		
Current Liabilities:						
Securities due within one year						
Securities due within one year						
Securities due within one year						
Notes payable						
Accounts payable —						
Accounts payable —						
Accounts payable —						
Affiliated						
Affiliated						
Affiliated						
Other						
Accrued taxes						
Accrued taxes						
Accrued taxes						
Accrued compensation						
Accrued compensation						
Accrued compensation						
Asset retirement obligations						
Asset retirement obligations						
Asset retirement obligations						
Over recovered retail fuel clause revenues						
Over recovered retail fuel clause revenues						
Over recovered retail fuel clause revenues						
Other regulatory liabilities						
Other current liabilities						
Other current liabilities						
Other current liabilities						
Total current liabilities						
Long-Term Debt						
Deferred Credits and Other Liabilities:						
Accumulated deferred income taxes						

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Accumulated deferred income taxes			
Accumulated deferred income taxes			
Deferred credits related to income taxes			
Employee benefit obligations			
Employee benefit obligations			
Employee benefit obligations			
Asset retirement obligations, deferred			
Other cost of removal obligations			
Other cost of removal obligations			
Other cost of removal obligations			
Other regulatory liabilities, deferred			
Other deferred credits and liabilities			
Total deferred credits and other liabilities			
Total Liabilities			
Common Stockholder's Equity:			
Common stock, without par value (Authorized - 50 million shares; Outstanding - 1 million shares)			
Common stock, without par value (Authorized - 50 million shares; Outstanding - 1 million shares)			
Common stock, without par value (Authorized - 50 million shares; Outstanding - 1 million shares)			
Paid-in capital			
Accumulated deficit			
Total common stockholder's equity (See accompanying statements)			
Total common stockholder's equity (See accompanying statements)			
Accumulated other comprehensive income			
Total common stockholder's equity (See accompanying statements)			
Total Liabilities and Stockholder's Equity			
Commitments and Contingent Matters (See notes)	**Commitments and Contingent Matters** (See notes)		**Commitments and Contingent Matters** (See notes)

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Mississippi Power Company

	Number of Common Shares Issued	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total
					(in millions)								
Balance at December 31, 2020													
Net income													
Capital contributions from parent company													
Capital contributions from parent company													

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Capital contributions from parent company
Other comprehensive income
Cash dividends on common stock
Other
Balance at December 31, 2021
Net income
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Cash dividends on common stock
Cash dividends on common stock
Cash dividends on common stock
Balance at December 31, 2022
Balance at December 31, 2022
Balance at December 31, 2022
Net income
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Cash dividends on common stock
Cash dividends on common stock
Cash dividends on common stock
Balance at December 31, 2023
Balance at December 31, 2023
Balance at December 31, 2023
Net income
Capital contributions from parent company
Capital contributions from parent company

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Capital contributions from parent company	
Other comprehensive income	
Cash dividends on common stock	
Balance at December 31, 2024	
Balance at December 31, 2024	
Balance at December 31, 2024	

The accompanying notes are an integral part of these financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholder and the Board of Directors of Southern Power Company and Subsidiary Companies

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Southern Power Company and subsidiary companies (Southern Power) (a wholly-owned subsidiary of The Southern Company) as of December 31, 2023 December 31, 2024 and 2022, 2023, the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, the related notes, and the financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Southern Power as of December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of Southern Power's management. Our responsibility is to express an opinion on Southern Power's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Southern Power in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Southern Power is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of Southern Power's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Audit Committee of Southern Company's Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Income/Loss Allocation to Noncontrolling Interests – Refer to Notes Note 1 (Summary of Significant Accounting Policies – Variable Interest Entities) and Note 7 (Consolidated Entities and Equity Method Investments – Southern Power – Variable Interest Entities) to the financial statements

Critical Audit Matter Description

Southern Power has entered into a number of tax equity partnership arrangements, wherein they agree to sell 100% of a class of membership interests (e.g. Class A) in an entity to a noncontrolling investor in exchange for cash contributions, while retaining control of the entity through a separate class of membership interests (e.g. Class B). The agreements for these partnerships give different rights and priorities to their owners in terms of cash distributions, tax attribute allocations, and partnership income or loss allocations. These provisions make the conventional equity method of accounting where an investor applies its "percentage ownership interest" to the investee's net income under generally accepted accounting principles to determine the investor's share of earnings or losses difficult to apply. Therefore, Southern Power uses the Hypothetical Liquidation at Book Value (HLBV)

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accounting method to account for these partnership arrangements. The HLBV accounting method calculates each partner's share of income or loss based on the change in net equity the partner can legally claim at the end of the reporting period compared to the beginning of the reporting period. The application of the HLBV accounting method by Southern Power required significant consideration of the allocations between Southern Power and the noncontrolling investors over the life of the agreement and the liquidation provisions of the agreement to determine the appropriate allocation of income or loss between the parties.

The determination of the appropriate amount of allocated partnership income or loss to noncontrolling interests using the HLBV accounting method required increased audit effort and specialized skill and knowledge, including evaluation of the terms of the agreement and consideration of the appropriateness of the HLBV model based on the provisions of the agreement.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures included the following, among others:

- We read certain agreements to understand the liquidation provisions and the provisions governing the allocation of benefits.
- We evaluated certain HLBV models utilized by management to determine whether the models accurately reflect the allocation of income or loss and tax attributes in accordance with the liquidation provisions and allocation terms defined in the agreements, as well as whether the inputs in the models are accurate and complete.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

We have served as Southern Power's auditor since 2002.

CONSOLIDATED STATEMENTS OF INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Power Company and Subsidiary Companies

	2023	2022	2021
	2024	2023	2022
		(in millions)	
Operating Revenues:			
Wholesale revenues, non-affiliates			
Wholesale revenues, non-affiliates			
Wholesale revenues, non-affiliates			
Wholesale revenues, affiliates			
Other revenues			
Total operating revenues			
Operating Expenses:			
Fuel			
Fuel			
Fuel			
Purchased power			
Other operations and maintenance			
Other operations and maintenance			
Other operations and maintenance			
Depreciation and amortization			
Taxes other than income taxes			
Loss on sales-type leases			
Loss on sales-type leases			

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Loss on sales-type leases	
Gain on dispositions, net	
Gain on dispositions, net	
Gain on dispositions, net	
Total operating expenses	
Operating Income	
Other Income and (Expense):	
Interest expense, net of amounts capitalized	
Interest expense, net of amounts capitalized	
Interest expense, net of amounts capitalized	
Other income (expense), net	
Total other income and (expense)	
Earnings Before Income Taxes	
Income taxes (benefit)	
Net Income	
Net loss attributable to noncontrolling interests	
Net Income Attributable to Southern Power	

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Power Company and Subsidiary Companies

	2023	2022	2021
	2024	2023	2022
			(in millions)
Net Income			
Other comprehensive income:			
Qualifying hedges:			
Qualifying hedges:			
Qualifying hedges:			
Changes in fair value, net of tax of $(1), $(30), and $(22), respectively			
Changes in fair value, net of tax of $(1), $(30), and $(22), respectively			
Changes in fair value, net of tax of $(1), $(30), and $(22), respectively			
Reclassification adjustment for amounts included in net income, net of tax of $4, $26, and $30, respectively			
Changes in fair value, net of tax of $(10), $(1), and $(30), respectively			
Changes in fair value, net of tax of $(10), $(1), and $(30), respectively			
Changes in fair value, net of tax of $(10), $(1), and $(30), respectively			
Reclassification adjustment for amounts included in net income, net of tax of $12, $4, and $26, respectively			
Pension and other postretirement benefit plans:			
Benefit plan net gain (loss), net of tax of $(2), $6, and $5, respectively			
Benefit plan net gain (loss), net of tax of $(2), $6, and $5, respectively			
Benefit plan net gain (loss), net of tax of $(2), $6, and $5, respectively			
Reclassification adjustment for amounts included in net income, net of tax of $—, $1, and $1, respectively			

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Benefit plan net gain (loss), net of tax of $2, $(2), and $6, respectively	
Benefit plan net gain (loss), net of tax of $2, $(2), and $6, respectively	
Benefit plan net gain (loss), net of tax of $2, $(2), and $6, respectively	
Reclassification adjustment for amounts included in net income, net of tax of $—, $—, and $1, respectively	
Total other comprehensive income	
Comprehensive loss attributable to noncontrolling interests	
Comprehensive Income Attributable to Southern Power	

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Power Company and Subsidiary Companies

	2023	2022	2021
	2024	2023	2022
	(in millions)		*(in millions)*
Operating Activities:			
Net income			
Net income			
Net income			
Adjustments to reconcile net income to net cash provided from operating activities —			
Depreciation and amortization, total			
Depreciation and amortization, total			
Depreciation and amortization, total			
Deferred income taxes			
Utilization of federal investment tax credits			
Amortization of investment tax credits			
Utilization of federal tax credit carryforward			
Amortization of ITCs			
Gain on dispositions, net			
Gain on dispositions, net			
Gain on dispositions, net			
Loss on sales-type leases			
Other, net			
Other, net			
Other, net			
Changes in certain current assets and liabilities —			
-Receivables			
-Receivables			
-Receivables			
-Prepaid income taxes			
-Prepaid income taxes			

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-Prepaid income taxes
-Other current assets
-Other current assets
-Other current assets
-Accounts payable
-Other current liabilities
-Other current liabilities
-Other current liabilities
Net cash provided from operating activities
Investing Activities:
Acquisitions, net of cash acquired
Acquisitions, net of cash acquired
Acquisitions, net of cash acquired
Property additions
Change in construction payables
Proceeds from dispositions
Proceeds from dispositions
Proceeds from dispositions
Payments pursuant to LTSAs
Other investing activities
Net cash used for investing activities
Financing Activities:
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Proceeds — Senior notes
Proceeds — Senior notes
Proceeds — Senior notes
Redemptions — Senior notes
Redemptions — Senior notes
Redemptions — Senior notes
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Return of capital to parent company
Capital contributions from noncontrolling interests
Capital contributions from noncontrolling interests
Capital contributions from noncontrolling interests
Distributions to noncontrolling interests
Payment of common stock dividends
Payment of common stock dividends
Payment of common stock dividends
Other financing activities
Net cash used for financing activities
Net Change in Cash, Cash Equivalents, and Restricted Cash
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year
Cash, Cash Equivalents, and Restricted Cash at End of Year
Supplemental Cash Flow Information:
Cash paid (received) during the period for —
Cash paid (received) during the period for —
Cash paid (received) during the period for —
Interest (net of $3, $—, and $6 capitalized, respectively)

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Interest (net of $3, $—, and $6 capitalized, respectively)	
Interest (net of $3, $—, and $6 capitalized, respectively)	
Income taxes, net	
Interest (net of $7, $3, and $— capitalized, respectively)	
Interest (net of $7, $3, and $— capitalized, respectively)	
Interest (net of $7, $3, and $— capitalized, respectively)	
Income taxes, net (excludes credit transfers)	
Noncash transactions —	
Accrued property additions at year-end	
Accrued property additions at year-end	
Accrued property additions at year-end	
LTSA credits utilized from the sale of spare parts	
Contributions from noncontrolling interests	
Contributions of wind turbine equipment	

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Southern Power Company and Subsidiary Companies

Assets	**Assets**	**2023**	2022	**Assets**	**2024**	2023
				(in millions)		
Current Assets:						
Cash and cash equivalents						
Cash and cash equivalents						
Cash and cash equivalents						
Receivables —						
Customer accounts, net						
Customer accounts, net						
Customer accounts, net						
Affiliated						
Other						
Materials and supplies						
Materials and supplies						
Materials and supplies						
Other current assets						
Other current assets						
Other current assets						
Total current assets						
Property, Plant, and Equipment:						
In service						
In service						
In service						
Less: Accumulated provision for depreciation						
Plant in service, net of depreciation						
Construction work in progress						
Total property, plant, and equipment						
Other Property and Investments:						
Intangible assets, net of amortization of $148 and $129, respectively						

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Intangible assets, net of amortization of $168 and $148, respectively
Intangible assets, net of amortization of $148 and $129, respectively
Intangible assets, net of amortization of $168 and $148, respectively
Intangible assets, net of amortization of $148 and $129, respectively
Equity investments in unconsolidated subsidiaries
Intangible assets, net of amortization of $168 and $148, respectively
Net investment in sales-type leases
Net investment in sales-type leases
Net investment in sales-type leases
Total other property and investments
Deferred Charges and Other Assets:
Operating lease right-of-use assets, net of amortization
Operating lease right-of-use assets, net of amortization
Operating lease right-of-use assets, net of amortization
Prepaid LTSAs
Income taxes receivable, non-current
Other deferred charges and assets
Income taxes receivable, non-current
Other deferred charges and assets
Income taxes receivable, non-current
Other deferred charges and assets
Other deferred charges and assets
Other deferred charges and assets
Total deferred charges and other assets
Total Assets

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Southern Power Company and Subsidiary Companies

Liabilities and Stockholders' Equity	**Liabilities and Stockholders' Equity**	**2023**	2022	**Liabilities and Stockholders' Equity**	**2024**	2023
				(in millions)		
Current Liabilities:						
Securities due within one year						
Securities due within one year						
Securities due within one year						
Notes payable						
Accounts payable —						
Affiliated						
Affiliated						
Affiliated						
Other						
Accrued taxes						
Accrued taxes						
Accrued taxes						
Accrued interest						
Operating lease obligations						

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Operating lease obligations			
Operating lease obligations			
Other current liabilities			
Total current liabilities			
Long-Term Debt			
Long-Term Debt			
Long-Term Debt			
Deferred Credits and Other Liabilities:			
Accumulated deferred income taxes			
Accumulated deferred income taxes			
Accumulated deferred income taxes			
Accumulated deferred ITCs			
Operating lease obligations, deferred			
Other deferred credits and liabilities			
Other deferred credits and liabilities			
Other deferred credits and liabilities			
Total deferred credits and other liabilities			
Total Liabilities			
Common Stockholder's Equity:			
Common Stockholder's Equity:			
Common Stockholder's Equity:			
Common stock, par value $0.01 per share (Authorized - 1 million shares; Outstanding - 1,000 shares)			
Common stock, par value $0.01 per share (Authorized - 1 million shares; Outstanding - 1,000 shares)			
Common stock, par value $0.01 per share (Authorized - 1 million shares; Outstanding - 1,000 shares)			
Paid-in capital			
Retained earnings			
Accumulated other comprehensive loss			
Total common stockholder's equity			
Noncontrolling Interests			
Total Stockholders' Equity (See accompanying statements)			
Total Liabilities and Stockholders' Equity			
Commitments and Contingent Matters (See notes)	**Commitments and Contingent Matters** (See notes)		**Commitments and Contingent Matters** (See notes)

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Power Company and Subsidiary Companies

Number of Common Shares Issued	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Common Stockholder's Equity	Noncontrolling Interests	Total	Number of Common Shares Issued	Common Stock	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Common Stockholde Equity

(in millions)

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Balance at December 31, 2020
Net income (loss)
Return of capital to parent company
Capital contributions from parent company
Other comprehensive income
Cash dividends on common stock
Capital contributions from noncontrolling interests
Capital contributions from noncontrolling interests
Capital contributions from noncontrolling interests
Distributions to noncontrolling interests
Other
Other
Other
Balance at December 31, 2021
Net income (loss)
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Other comprehensive income
Cash dividends on common stock
Capital contributions from noncontrolling interests
Capital contributions from noncontrolling interests
Capital contributions from noncontrolling interests

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Distributions to noncontrolling interests	
Other	
Other	
Other	
Balance at December 31, 2022	
Net income (loss)	
Capital contributions from parent company	
Capital contributions from parent company	
Capital contributions from parent company	
Other comprehensive income	
Cash dividends on common stock	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Distributions to noncontrolling interests	
Other	
Other	
Other	
Balance at December 31, 2023	
Net income (loss)	
Capital contributions from parent company	
Capital contributions from parent company	
Capital contributions from parent company	
Other comprehensive income	

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Cash dividends on common stock	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Capital contributions from noncontrolling interests	
Distributions to noncontrolling interests	
Balance at December 31, 2024	
Balance at December 31, 2024	
Balance at December 31, 2024	

The accompanying notes are an integral part of these consolidated financial statements.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholder and the Board of Directors of Southern Company Gas and Subsidiary Companies

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Southern Company Gas and subsidiary companies (Southern Company Gas) (a wholly-owned subsidiary of The Southern Company) as of December 31, 2023 December 31, 2024 and 2022, 2023, the related consolidated statements of income, comprehensive income, common stockholder's equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, the related notes, and the financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Southern Company Gas as of December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Southern Natural Gas Company, L.L.C. (SNG), Southern Company Gas' investment which is accounted for by the use of the equity method. The accompanying consolidated financial statements of Southern Company Gas include its equity investment in SNG of $1,202 $1,245 million and $1,243 $1,202 million as of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, respectively, and its earnings from its equity method investment in SNG of $146 million, $139 million, $146 million, and $127 $146 million for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, respectively. Those statements were audited by other auditors BDO USA, P.C., whose reports (which express unqualified opinions on SNG's financial statements and contain an emphasis of matter paragraph calling attention to SNG's significant transactions with related parties) have been furnished to us, and our opinion, insofar as it relates to the amounts included for SNG, is based solely on the reports of the other auditors.

Basis for Opinion

These financial statements are the responsibility of Southern Company Gas' management. Our responsibility is to express an opinion on Southern Company Gas' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Southern Company Gas in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Southern Company Gas is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of Southern Company Gas' internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Audit Committee of Southern Company's Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved

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especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impact of Rate Regulation on the Financial Statements – Refer to Note 1 (Summary of Significant Accounting Policies – Regulatory Assets and Liabilities) and Note 2 (Regulatory Matters – Southern Company Gas) to the financial statements

Critical Audit Matter Description

Southern Company Gas' natural gas distribution utilities (the "regulated utility subsidiaries") are subject to rate regulation by their respective state Public Service Commission or other applicable state regulatory agencies (collectively, the "Commissions"). Management has determined that it meets the requirements under accounting principles generally accepted in the United States of America to utilize specialized rules to account for the effects of rate regulation in the preparation of its financial statements. Accounting for the economics of rate regulation may impact multiple financial statement line items and disclosures.

The Commissions set the rates the regulated utility subsidiaries are permitted to charge customers. Rates are determined and approved in regulatory proceedings based on an analysis of the applicable regulated utility subsidiary's costs to provide utility service and a return on, and recovery of, its investment in the utility business. Current and future regulatory decisions can have an impact on the recovery of costs, the rate of return earned on investments, and the timing and amount of assets to be recovered through rates. The Commissions' regulation of rates is premised on the full recovery of prudently incurred costs and a reasonable rate of return on invested capital. While Southern Company Gas' regulated utility subsidiaries expect to recover costs from customers through regulated rates, there is a risk that the Commissions will not approve: (1) full recovery of the costs of providing utility service, or (2) full recovery of all amounts invested in the utility business and a reasonable return on those investments.

We identified the impact of rate regulation related to certain assets and liabilities as a critical audit matter due to the significant judgments made by management to support its assertions about impacted account balances and disclosures and/or the high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs. Management judgments include assessing the likelihood of (1) recovery in future rates of incurred costs, (2) a disallowance of part of the cost of recently completed plant or plant under construction, and/or (3) a refund to customers. Auditing these judgments, which include assumptions about the outcome of future decisions by the Commissions, required specialized knowledge of accounting for rate regulations and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the impact of rate regulation on certain assets and liabilities included the following, among others:

- We tested the effectiveness of management's controls over the evaluation of the likelihood of (1) the recovery in future rates of certain incurred costs and (2) refunds or future reductions in rates that should be reported as regulatory liabilities; liabilities and the monitoring and evaluation of regulatory developments that may affect the likelihood of recovering certain costs in future rates or of a future reduction in rates, including previously incurred Qualifying Infrastructure Plant capital investments by Nicor Gas. We also tested the effectiveness of management's controls over the initial recognition of regulatory assets or liabilities.
- We read and evaluated relevant regulatory orders and/or other relevant publicly available information to assess the likelihood of recovery of certain incurred costs in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.
- We tested certain incurred costs recorded as regulatory assets or liabilities during the period for completeness and accuracy.
- We obtained representation from management regarding the likelihood of recoverability of incurred costs and potential refund or future reduction in rates to assess management's assertions about the likelihood of recovery, refund, or a future reduction in rates.
- We evaluated Southern Company Gas' disclosures related to the impacts of rate regulation, including the balances recorded and regulatory developments, including where there is a high degree of subjectivity involved in assessing the potential impact of future regulatory orders on incurred costs.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

We have served as Southern Company Gas' auditor since 2016.

Report of Independent Registered Public Accounting Firm

Board of Directors and Members
Southern Natural Gas Company, L.L.C.
Houston, Texas

Opinion on the Consolidated Financial Statements

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We have audited the accompanying consolidated balance sheets of Southern Natural Gas Company, L.L.C. (the "Company") as of December 31, 2023 December 31, 2024 and 2022, 2023, the related consolidated statements of income, members' equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Postretirement Benefits Plan – Fair Value of Investments Measured at Fair Net Asset Value

As discussed in Note 5 to the consolidated financial statements, the fair value of postretirement benefit benefits plan assets on December 31, 2023 December 31, 2024, was $66 million $71 million. Of this amount, $65 million $70 million represents the fair value of private debt and equity securities investments measured at net asset value (NAV).

We identified the assessment of the postretirement benefits plan fair value of investments measured at NAV as a critical audit matter. Subjective auditor judgment was required in the application and performance of procedures to assess the fair value of the investments measured at NAV because the determination involved the use of unobservable inputs. Additionally, specialized skills and knowledge were required to assess the fair value of the investments measured at NAV and to assess the sufficiency of audit evidence obtained.

The primary procedures we performed to address this critical audit matter included:

- Comparing the fair values as recorded by the Company to external confirmations received directly from the third-party investment managers.
- Utilized Utilizing specialists who performed a benchmark analysis to determine the correlation of the funds and the stated benchmark; the results were used to estimate the high and low fair value range of the investments to compare to the Company's fair value.

Emphasis of Matter – Significant Transactions with Related Parties

As discussed in Note 6 to the consolidated financial statements, the Company has entered into significant transactions with related parties.

/s/ BDO USA, P.C.
We have served as the Company's auditor since 2018.
Houston, Texas
February 6, 2024 2025

CONSOLIDATED STATEMENTS OF INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company Gas and Subsidiary Companies

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	2023	2022	2021
	2024	2023	2022
		(in millions)	
Operating Revenues:			
Natural gas revenues (includes revenue taxes of $133, $162, and $122, respectively)			
Natural gas revenues (includes revenue taxes of $133, $162, and $122, respectively)			
Natural gas revenues (includes revenue taxes of $133, $162, and $122, respectively)			
Natural gas revenues (includes revenue taxes of $115, $133, and $162, respectively)			
Natural gas revenues (includes revenue taxes of $115, $133, and $162, respectively)			
Natural gas revenues (includes revenue taxes of $115, $133, and $162, respectively)			
Total operating revenues			
Total operating revenues			
Total operating revenues			
Operating Expenses:	**Operating Expenses:**		**Operating Expenses:**
Cost of natural gas			
Other operations and maintenance			
Other operations and maintenance			
Other operations and maintenance			
Depreciation and amortization			
Taxes other than income taxes			
Impairment charges			
Estimated loss on regulatory disallowance			
Gain on dispositions, net			
Total operating expenses			
Total operating expenses			
Total operating expenses			
Operating Income			
Operating Income			
Operating Income			
Other Income and (Expense):			
Earnings from equity method investments			
Earnings from equity method investments			
Earnings from equity method investments			
Interest expense, net of amounts capitalized			
Other income (expense), net			
Total other income and (expense)			
Earnings Before Income Taxes			
Income taxes			
Net Income			
Net Income			
Net Income			

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company Gas and Subsidiary Companies

	2023	2022	2021
	2024	2023	2022

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(in millions)

Net Income	
Other comprehensive income (loss):	
Qualifying hedges:	
Qualifying hedges:	
Qualifying hedges:	
Changes in fair value, net of tax of $(18), $5, and $5, respectively	
Changes in fair value, net of tax of $(18), $5, and $5, respectively	
Changes in fair value, net of tax of $(18), $5, and $5, respectively	
Reclassification adjustment for amounts included in net income, net of tax of $19, $(9), and $(5), respectively	
Changes in fair value, net of tax of $(3), $(18), and $5, respectively	
Changes in fair value, net of tax of $(3), $(18), and $5, respectively	
Changes in fair value, net of tax of $(3), $(18), and $5, respectively	
Reclassification adjustment for amounts included in net income, net of tax of $12, $19, and $(9), respectively	
Pension and other postretirement benefit plans:	
Benefit plan net gain (loss), net of tax of $(7), $8, and $17, respectively	
Benefit plan net gain (loss), net of tax of $(7), $8, and $17, respectively	
Benefit plan net gain (loss), net of tax of $(7), $8, and $17, respectively	
Reclassification adjustment for amounts included in net income, net of tax of $—, $—, and $—, respectively	
Benefit plan net gain (loss), net of tax of $5, $(7), and $8, respectively	
Benefit plan net gain (loss), net of tax of $5, $(7), and $8, respectively	
Benefit plan net gain (loss), net of tax of $5, $(7), and $8, respectively	
Reclassification adjustment for amounts included in net income, net of tax of $(1), $—, and $—, respectively	
Total other comprehensive income (loss)	
Comprehensive Income	
Comprehensive Income	
Comprehensive Income	

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company Gas and Subsidiary Companies

	2023	2022	2021
	2024	2023	2022

(in millions)

Operating Activities:	
Consolidated net income	
Consolidated net income	
Consolidated net income	

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Adjustments to reconcile net income to net cash provided from operating activities —
Depreciation and amortization, total
Depreciation and amortization, total
Depreciation and amortization, total
Deferred income taxes
Impairment charges
Impairment charges
Impairment charges
Gain on dispositions, net
Mark-to-market adjustments
Natural gas cost under recovery – long-term
Natural gas cost under recovery – long-term
Natural gas cost under recovery – long-term
Estimated loss on regulatory disallowance
Other, net
Changes in certain current assets and liabilities —
-Receivables
-Receivables
-Receivables
-Natural gas for sale, net of temporary LIFO liquidation
-Prepaid income taxes
-Prepaid income taxes
-Prepaid income taxes
-Natural gas cost under recovery
-Other current assets
-Accounts payable
-Natural gas cost over recovery
-Natural gas cost over recovery
-Natural gas cost over recovery
-Other current liabilities
Net cash provided from operating activities
Investing Activities:
Property additions
Property additions
Property additions
Cost of removal, net of salvage
Cost of removal, net of salvage
Cost of removal, net of salvage
Change in construction payables, net
Investments in unconsolidated subsidiaries
Proceeds from dispositions
Proceeds from dispositions
Proceeds from dispositions
Other investing activities
Net cash used for investing activities
Financing Activities:
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Increase (decrease) in notes payable, net
Proceeds —

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Senior notes	
Senior notes	
Senior notes	
First mortgage bonds	
First mortgage bonds	
First mortgage bonds	
Short-term borrowings	
Other long-term debt	
Redemptions and repurchases —	
Senior notes	
First mortgage bonds	
Senior notes	
First mortgage bonds	
Senior notes	
First mortgage bonds	
Short-term borrowings	
Medium-term notes	
First mortgage bonds	
Capital contributions from parent company	
Capital contributions from parent company	
Capital contributions from parent company	
Payment of common stock dividends	
Payment of common stock dividends	
Payment of common stock dividends	
Other financing activities	
Net cash provided from (used for) financing activities	
Net Change in Cash, Cash Equivalents, and Restricted Cash	
Cash, Cash Equivalents, and Restricted Cash at Beginning of Year	
Cash, Cash Equivalents, and Restricted Cash at End of Year	
Supplemental Cash Flow Information:	
Cash paid during the period for —	
Cash paid during the period for —	
Cash paid during the period for —	
Interest (net of $16, $10, and $8 capitalized, respectively)	
Interest (net of $16, $10, and $8 capitalized, respectively)	
Interest (net of $16, $10, and $8 capitalized, respectively)	
Interest (net of $21, $16, and $10 capitalized, respectively)	
Interest (net of $21, $16, and $10 capitalized, respectively)	
Interest (net of $21, $16, and $10 capitalized, respectively)	
Income taxes, net	
Noncash transactions — Accrued property additions at year-end	

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Southern Company Gas and Subsidiary Companies

Assets	**Assets**	**2023**	2022	**Assets**	**2024**	2023

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| | | |

Other deferred charges and assets	
Other deferred charges and assets	
Other deferred charges and assets	
Total deferred charges and other assets	
Total Assets	

The accompanying notes are an integral part of these consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS
At December 31, 2023 December 31, 2024 and 2022 2023
Southern Company Gas and Subsidiary Companies

Liabilities and Stockholder's Equity	**Liabilities and Stockholder's Equity**	**2023**	2022	**Liabilities and Stockholder's Equity**	**2024**	2023
				(in millions)		
Current Liabilities:						
Securities due within one year						
Securities due within one year						
Securities due within one year						
Notes payable						
Accounts payable —						
Accounts payable —						
Accounts payable —						
Affiliated						
Affiliated						
Affiliated						
Other						
Customer deposits						
Accrued taxes						
Accrued taxes						
Accrued taxes						
Accrued compensation						
Accrued compensation						
Accrued compensation						
Natural gas cost over recovery						
Natural gas cost over recovery						
Natural gas cost over recovery						
Other regulatory liabilities						
Other current liabilities						
Other current liabilities						
Other current liabilities						
Total current liabilities						
Long-term Debt						
Deferred Credits and Other Liabilities:						
Accumulated deferred income taxes						
Accumulated deferred income taxes						
Accumulated deferred income taxes						
Deferred credits related to income taxes						
Employee benefit obligations						

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Employee benefit obligations												
Employee benefit obligations												
Operating lease obligations												
Operating lease obligations												
Operating lease obligations												
Other cost of removal obligations												
Accrued environmental remediation												
Other deferred credits and liabilities												
Other deferred credits and liabilities												
Other deferred credits and liabilities												
Total deferred credits and other liabilities												
Total Liabilities												
Common Stockholder's Equity:												
Common stock, par value $0.01 per share (Authorized - 100 million shares; Outstanding - 100 shares)												
Common stock, par value $0.01 per share (Authorized - 100 million shares; Outstanding - 100 shares)												
Common stock, par value $0.01 per share (Authorized - 100 million shares; Outstanding - 100 shares)												
Paid-in capital												
Paid-in capital												
Paid-in capital												
Accumulated deficit												
Accumulated other comprehensive income (loss)												
Retained earnings (accumulated deficit)												
Accumulated other comprehensive income												
Total common stockholder's equity (See accompanying statements)												
Total Liabilities and Stockholder's Equity												
Commitments and Contingent Matters (See notes)						**Commitments and Contingent Matters** (See notes)						**Commitments and Contingent Matters** (See notes)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
For the Years Ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022
Southern Company Gas and Subsidiary Companies

Number of Common Shares Issued												
Number of Common Shares Issued												
Number of Common Shares Issued	**Common Stock**	**Paid-In Capital**	**Retained Earnings (Accumulated Deficit)**	**Accumulated Other Comprehensive Income (Loss)**	**Total**	**Common Stock**	**Paid-In Capital**	**Retained Earnings (Accumulated Deficit)**	**Accumulated Other Comprehensive Income (Loss)**	**Total**		

(in millions)

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Balance at December 31, 2020
Balance at December 31, 2021
Net income
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Other comprehensive income
Cash dividends on common stock
Cash dividends on common stock
Cash dividends on common stock
Balance at December 31, 2021
Balance at December 31, 2021
Balance at December 31, 2021
Net income
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Other comprehensive income
Cash dividends on common stock
Cash dividends on common stock
Cash dividends on common stock
Balance at December 31, 2022
Balance at December 31, 2022
Balance at December 31, 2022
Balance at December 31, 2022
Net income
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company

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Other comprehensive income (loss)
Cash dividends on common stock
Cash dividends on common stock
Cash dividends on common stock
Balance at December 31, 2023
Balance at December 31, 2023
Balance at December 31, 2023
Net income
Capital contributions from parent company
Capital contributions from parent company
Capital contributions from parent company
Other comprehensive income
Cash dividends on common stock
Cash dividends on common stock
Cash dividends on common stock
Other
Balance at December 31, 2024

The accompanying notes are an integral part of these consolidated financial statements.

COMBINED NOTES TO FINANCIAL STATEMENTS

Notes to the Financial Statements
for
The Southern Company and Subsidiary Companies
Alabama Power Company
Georgia Power Company
Mississippi Power Company
Southern Power Company and Subsidiary Companies
Southern Company Gas and Subsidiary Companies

Index to the Combined Notes to Financial Statements

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Index to Applicable Notes to Financial Statements by Registrant

The following notes to the financial statements are a combined presentation; however, information contained herein relating to any individual Registrant is filed by such Registrant on its own behalf and each Registrant makes no representation as to information related to the other Registrants. The list table below indicates the Registrants to which each note applies.

Registrant	Applicable Notes
Southern Company	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16
Alabama Power	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15
Georgia Power	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14
Mississippi Power	1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14
Southern Power	1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15
Southern Company Gas	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16

	Applicable Notes															
Registrant	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Southern Company																
Alabama Power																
Georgia Power																
Mississippi Power																
Southern Power																
Southern Company Gas																

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COMBINED NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southern Company is the parent company of three traditional electric operating companies, as well as Southern Power, Southern Company Gas, SCS, Southern Linc, Southern Holdings, Southern Nuclear, PowerSecure, and other direct and indirect subsidiaries. The traditional electric operating companies – Alabama Power, Georgia Power, and Mississippi Power – are vertically integrated utilities providing electric service in three Southeastern states. Southern Power develops, constructs, acquires, owns, operates, and manages power generation assets, including renewable energy projects, and sells electricity at market-based rates in the wholesale market. Southern Company Gas distributes natural gas

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through natural gas distribution utilities, including Nicor Gas (Illinois), Atlanta Gas Light (Georgia), Virginia Natural Gas, and Chattanooga Gas (Tennessee). Southern Company Gas is also involved in several other complementary businesses including gas pipeline investments and gas marketing services. Prior to the sale of Sequent on July 1, 2021, these businesses also included wholesale gas services. SCS, the system service company, provides, at cost, specialized services to Southern Company and its subsidiary companies. Southern Linc provides digital wireless communications for use by Southern Company and its subsidiary companies and also markets these services to the public and provides fiber optics services within the Southeast. Southern Holdings is an intermediate holding company subsidiary. Southern Nuclear operates and provides services to the Southern Company system's nuclear power plants, including Alabama Power's Plant Farley and Georgia Power's Plant Plants Hatch and Plant Vogtle Units 1 through 3, and is currently managing construction and start-up of Plant Vogtle Unit 4. Vogtle. PowerSecure develops distributed energy and resilience solutions and deploys microgrids for commercial, industrial, governmental, and utility customers. See Note 15 for information regarding the sale of Sequent.

The Registrants' financial statements reflect investments in subsidiaries on a consolidated basis. Intercompany transactions have been eliminated in consolidation. The equity method is used for investments in entities in which a Registrant has significant influence but does not have control and for VIEs where a Registrant has an equity investment but is not the primary beneficiary. Southern Power has controlling ownership in certain legal entities for which the contractual provisions represent profit-sharing arrangements because the allocations of cash distributions and tax benefits are not based on fixed ownership percentages. For these arrangements, the noncontrolling interest is accounted for under a balance sheet approach utilizing the HLBV method. The HLBV method calculates each partner's share of income based on the change in net equity the partner can legally claim in a an HLBV at the end of the period compared to the beginning of the period. See "Variable Interest Entities" herein and Note 7 for additional information.

The traditional electric operating companies, Southern Power, certain subsidiaries of Southern Company Gas, and certain other subsidiaries are subject to regulation by the FERC, and the traditional electric operating companies and the natural gas distribution utilities are also subject to regulation by their respective state PSCs or other applicable state regulatory agencies. As such, the respective financial statements of the applicable Registrants reflect the effects of rate regulation in accordance with GAAP and comply with the accounting policies and practices prescribed by relevant state PSCs or other applicable state regulatory agencies.

The preparation of financial statements in conformity with GAAP requires the use of estimates, and the actual results may differ from those estimates. Certain prior years' data presented in the financial statements have been reclassified to conform to the current year presentation. These reclassifications had no impact on the Registrants' results of operations, financial position, or cash flows.

Recently Adopted Accounting Standards

In 2020, November 2023, the FASB issued ASU 2020-04, 2023-07, *Reference Rate Reform Segment Reporting (Topic 848) 280): Facilitation Improvements to Reportable Segment Disclosures* (ASU 2023-07), which requires entities to disclose significant segment expenses, other segment items, the title and position of the Effects of Reference Rate Reform on Financial Reporting (ASU 2020-04) providing temporary guidance CODM, and information related to ease how the potential burden CODM assesses segment performance and allocates resources, among certain other required disclosures. Additionally, previous annual disclosures will be required in accounting for reference rate reform primarily resulting from the discontinuation of LIBOR, which began phasing out on December 31, 2021. The discontinuation date of the overnight 1-, 3-, 6-, and 12-month tenors of LIBOR was June 30, 2023, which was beyond the original effective date of ASU 2020-04; therefore, in December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848* (ASU 2022-06) to defer the sunset date of ASU 2020-04 from December 31, 2022 to December 31, 2024.

The amendments were elective and applied to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued. The guidance (i) simplified accounting analyses under current GAAP for contract modifications; (ii) simplified the assessment of hedge effectiveness and allows hedging relationships affected by reference rate reform to continue; and (iii) allowed a one-time election to sell or transfer debt securities classified as held to maturity that reference a rate affected by reference rate reform. An entity could elect to apply the amendments

prospectively from March 12, 2020 through December 31, 2024 by accounting topic. interim periods. The Registrants elected to apply the amendments to modifications of debt and derivative arrangements that meet the scope of adopted ASU 2020-04 and ASU 2022-06.

Certain provisions in PPAs at Southern Power included references to LIBOR. Contract amendments have been executed to change to a SOFR-based interest rate. Southern Power adopted 2023-07 and applied the practical expedients guidance to these PPAs. Additionally, retrospectively effective for the Registrants referenced LIBOR fiscal year beginning January 1, 2024. ASU 2023-07 will be applied retrospectively for certain debt and hedging arrangements. As of July 1, 2023, all of the debt and hedging arrangements of the Registrants had transitioned to a SOFR-based interest rate based on the terms of the agreements. There were no material impacts from the transition to SOFR and no impacts to any existing accounting conclusions. interim periods beginning January 1, 2025. See Note 14 under "Interest Rate Derivatives" 16 for additional information. information and related disclosures.

Affiliate Transactions

The traditional electric operating companies, Southern Power, and Southern Company Gas have agreements with SCS under which certain of the following services are rendered to them at direct or allocated cost: general executive and advisory, general and design engineering, operations, purchasing, accounting, finance, treasury, legal, tax, information technology, marketing, auditing, insurance and pension administration, human resources, systems and procedures, digital wireless communications, cellular tower space, and other services with respect to business and operations, construction management, and Southern

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Company power pool transactions. These costs are primarily included in other operations and maintenance expenses or capitalized to property, plant, and equipment. Costs for these services from SCS in 2024, 2023, 2022, and 2021 2022 were as follows:

	Alabama Power	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
				(in millions)							
2024											
2023											
2022											
2021											

Alabama Power and Georgia Power also have agreements with Southern Nuclear under which Southern Nuclear renders the following nuclear-related services at cost: general executive and advisory services; general operations, management, and technical services; administrative services including procurement, accounting, employee relations, systems, and procedures services; strategic planning and budgeting services; and other services with respect to business and operations; and, for Georgia Power, construction management. operations. These costs are primarily included in other operations and maintenance expenses or capitalized to property, plant, and equipment. Costs for these services in 2024, 2023, 2022, and 2021 2022 amounted to $251 million $260 million, $267 million $251 million, and $258 million $267 million, respectively, for Alabama Power and $899 million $835 million, $895 million $899 million, and $906 million $895 million, respectively, for Georgia Power. See Note 2 under "Georgia Power – Nuclear Construction" for additional information regarding Southern Nuclear's construction management of Plant Vogtle Unit 4 for Georgia Power.

Cost allocation methodologies used by SCS and Southern Nuclear prior to the repeal of the Public Utility Holding Company Act of 1935, as amended, were approved by the SEC. Subsequently, additional cost allocation methodologies have been reported to the FERC and management believes they are reasonable. The FERC permits services to be rendered at cost by system service companies.

Alabama Power's and Georgia Power's power purchases from affiliates through the Southern Company power pool are included in purchased power, affiliates on their respective statements of income. Mississippi Power's and Southern Power's power purchases from affiliates through the Southern Company power pool are included in purchased power on their respective statements of income and were as follows:

	Mississippi Power	Mississippi Power	Southern Power	Mississippi Power	Southern Power
		(in millions)			
2024					
2023					
2022					
2021					

Georgia Power has entered into several PPAs with Southern Power and one PPA with Mississippi Power for capacity and energy. Georgia Power's total expenses associated with these PPAs were $143 million $203 million, $151 million $143 million, and $132 million $151 million in 2024, 2023, 2022, and 2021, 2022, respectively. Southern Power's total revenues from all PPAs with Georgia Power, included in wholesale revenue affiliates on Southern Power's consolidated statements of income, were $145 million $149 million, $154 million $145 million, and $139 million $154 million for 2024, 2023, 2022, and 2021, 2022, respectively. Included within these revenues were affiliate PPAs accounted for as operating leases, which totaled $116 million $121 million, $116 million,

Table and $116 million for 2024, 2023, and 2022, respectively. Mississippi Power's total revenues from its PPA with Georgia Power, which commenced in 2024, were $60 million in 2024 and are included in wholesale revenue affiliates on Mississippi Power's statements of Contents Index to Financial Statements

COMBINED NOTES TO FINANCIAL STATEMENTS

and $112 million for 2023, 2022, and 2021, respectively. income. See Note Notes 2 and 9 for additional information. Also see Note 2 under "Georgia Power – Integrated Resource Plans" for information regarding additional affiliate PPAs commencing in 2024.

SCS (as agent for Alabama Power, Georgia Power, and Southern Power) and certain subsidiaries of Southern Company Gas have long-term interstate natural gas transportation agreements with SNG that are governed by the terms and conditions of SNG's natural gas tariff and are subject to FERC regulation. See Note 7 under "Southern Company Gas – Equity Method Investments" Gas" for additional information. Transportation costs under these agreements in 2024, 2023, 2022, and 2021 2022 were as follows:

	Alabama Power	Alabama Power	Georgia Power	Southern Power	Southern Company Gas	Alabama Power	Georgia Power	Southern Power	Southern Company Gas
				(in millions)					
2024									
2023									
2022									
2021									

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COMBINED NOTES TO FINANCIAL STATEMENTS

SCS, as agent for the traditional electric operating companies and Southern Power, has agreements with certain subsidiaries of Southern Company Gas to purchase natural gas. Natural gas purchases made under these agreements were immaterial for Alabama Power, Georgia Power, Mississippi Power, and Mississippi Southern Power for all periods presented, immaterial for Southern Power in 2023 and 2022, and $18 million for Southern Power in 2021. presented.

Alabama Power and Mississippi Power jointly own Plant Greene County. The companies have an agreement under which Alabama Power operates Plant Greene County and Mississippi Power reimburses Alabama Power for its proportionate share of non-fuel operations and maintenance expenses, which totaled $5 million $7 million, $6 million $5 million, and $10 million $6 million in 2024, 2023, 2022, and 2021, 2022, respectively. See Note Notes 2 and 5 under "Mississippi Power – Integrated Resource Plans" and "Joint Ownership Agreements" Agreements," respectively, for additional information.

Alabama Power, Georgia Power, and Mississippi Power each have agreements with PowerSecure for equipment purchases and/or services related to utility infrastructure construction, distributed energy, and energy efficiency projects. Costs under these agreements were immaterial for all periods presented.

Southern Company Gas has a $77 million $74 million contract with the U.S. General Services Administration to increase energy efficiency at certain federal buildings across Georgia, with completion which is expected by the end of 2024. to be completed in 2025. Southern Company Gas engaged PowerSecure to provide the majority of the construction services under the contract. During 2024, 2023, and 2022, Southern Company Gas paid $13 million, $29 million, and $10 million, respectively, to PowerSecure related to this agreement.

See Note 7 under "SEGCO" for information regarding Alabama Power's and Georgia Power's equity method investment in SEGCO and related affiliate purchased power costs, as well as Alabama Power's gas pipeline ownership agreement with SEGCO.

Southern Power has several agreements with SCS for transmission services, which are billed to Southern Power based on the Southern Company Open Access Transmission Tariff as filed with the FERC. Transmission services purchased by Southern Power from SCS totaled $33 million $25 million, $39 million $33 million, and $28 million $39 million for 2024, 2023, 2022, and 2021, 2022, respectively, and were charged to other operations and maintenance expenses in Southern Power's consolidated statements of income.

The traditional electric operating companies and Southern Power may jointly enter into various types of wholesale energy, natural gas, and certain other contracts, either directly or through SCS as agent. Each participating company may be jointly and severally liable for the obligations incurred under these agreements. See Note 14 under "Contingent Features" for additional information. Southern Power and the traditional electric operating companies generally settle amounts related to the above transactions on a monthly basis in the month following the performance of such services or the purchase or sale of electricity. See "Revenues – Southern Power" herein for additional information.

The traditional electric operating companies, Southern Power, and Southern Company Gas provide incidental services to and receive such services from other Southern Company subsidiaries which are generally minor in duration and amount. Except as described herein, the traditional electric operating companies, Southern Power, and Southern Company Gas neither provided nor received any material services to or from affiliates in any year presented.

Regulatory Assets and Liabilities

The traditional electric operating companies and the natural gas distribution utilities are subject to accounting requirements for the effects of rate regulation. Regulatory assets represent probable future revenues associated with certain costs that are expected to be recovered from customers through the ratemaking process. Regulatory liabilities represent costs recovered that are expected to be incurred in the future or probable future reductions in revenues associated with amounts that are expected to be credited to customers through the ratemaking process.

COMBINED NOTES TO FINANCIAL STATEMENTS

In the event that a portion of a traditional electric operating company's or a natural gas distribution utility's operations is no longer subject to applicable accounting rules for rate regulation, such company would be required to write off to income or reclassify to AOCI related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the traditional electric operating company or the natural gas distribution utility would be required to determine if any impairment to other assets, including plant, exists and write down the assets, if impaired, to their fair values. All regulatory assets and liabilities are to be reflected in rates. See Note 2 for additional information including details of regulatory assets and liabilities reflected in the balance sheets for Southern Company, the traditional electric operating companies, and Southern Company Gas.

Revenues

The Registrants generate revenues from a variety of sources which are accounted for under various revenue accounting guidance, including revenue from contracts with customers, lease, derivative, and regulatory accounting. See Notes 4, 9, and 14 for additional information.

COMBINED NOTES TO FINANCIAL STATEMENTS

Traditional Electric Operating Companies

The majority of the revenues of the traditional electric operating companies are generated from contracts with retail electric customers. These revenues, generated from the integrated service to deliver electricity when and if called upon by the customer, are recognized as a single performance obligation satisfied over time, at a tariff rate, and as electricity is delivered to the customer during the month. Unbilled revenues related to retail sales are accrued at recognized for estimated deliveries of electricity not yet billed to

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these customers from the last bill date to the end of each fiscal the accounting period. Retail rates may include provisions to adjust revenues for fluctuations in fuel costs, fuel hedging, the energy component of purchased power costs, and certain other costs. Revenues are adjusted for differences between these actual costs and amounts billed in current regulated rates. Under or over recovered regulatory clause revenues are recorded in the balance sheets and are recovered from or returned to customers, respectively, through adjustments to the billing factors. See Note 2 for additional information regarding regulatory matters of the traditional electric operating companies.

Wholesale capacity revenues from PPAs are recognized in amounts billable under the contract terms. Energy and other revenues are generally recognized as services are provided. The contracts for capacity and energy in a wholesale PPA have multiple performance obligations where the contract's total transaction price is allocated to each performance obligation based on the standalone selling price. The standalone selling price is primarily determined by the price charged to customers for the specific goods or services transferred with the performance obligations. Generally, the traditional electric operating companies recognize revenue as the performance obligations are satisfied over time as electricity is delivered to the customer or as generation capacity is available to the customer.

For both retail and wholesale revenues, the traditional electric operating companies have elected to recognize revenue for their sales of electricity and capacity using the invoice practical expedient as they generally have a right to consideration in an amount that corresponds directly with the value to the customer of the performance completed to date and that may be invoiced. Payment for goods and services rendered is typically due in the subsequent month following satisfaction of the Registrants' performance obligation.

Southern Power

Southern Power sells capacity and energy at rates specified under contractual terms in long-term PPAs. These PPAs are accounted for as leases, normal sale derivatives, or contracts with customers. Capacity revenues from PPAs classified as operating leases are recognized on a straight-line basis over the term of the agreement. Energy revenues are recognized in the period the energy is delivered. Capacity revenues from PPAs classified as sales-type leases are recognized by accounting for interest income on the net investment in the lease.

Southern Power's non-lease contracts commonly include capacity and energy which are considered separate performance obligations. In these contracts, the total transaction price is allocated to each performance obligation based on the standalone selling price. The standalone selling price is primarily determined by the price charged to customers for the specific goods or services transferred with the performance obligations. Generally, Southern Power recognizes revenue as the performance obligations are satisfied over time, as electricity is delivered to the customer or as generation capacity is made available to the customer.

Southern Power generally has a right to consideration in an amount that corresponds directly with the value to the customer of the performance completed to date and may recognize revenue in the amount to which the entity has a right to invoice. Payment for goods and services rendered is typically due in the subsequent month following satisfaction of Southern Power's performance obligation.

When multiple contracts exist with the same counterparty, the revenues from each contract are accounted for as separate arrangements.

Southern Power may also enter into contracts to sell short-term capacity in the wholesale electricity markets. These sales are generally classified as mark-to-market derivatives and net unrealized gains and losses on such contracts are recorded in wholesale revenues. See Note 14 and "Financial Instruments" herein for additional information.

Southern Company Gas

Gas Distribution Operations

Southern Company Gas records revenues when goods or services are provided to customers. Those revenues are based on rates approved by the state regulatory agencies of the natural gas distribution utilities. utilities.The majority of the revenues of Southern Company Gas are generated from contracts with natural gas distribution customers. Revenues from this integrated service to deliver gas when and if called upon by the customer are recognized as a single performance obligation satisfied over time and are recognized at a tariff rate as gas is delivered to the customer during the month.

Revenues from sales and transportation services are recognized in the same period in which the related volumes are delivered to customers. Revenues from residential and certain commercial and industrial customers are recognized on the basis of scheduled meter readings. Additionally, unbilled revenues are recognized for estimated deliveries of gas not yet billed to these customers, from the last bill date to the end of the accounting period. For other commercial and industrial customers, revenues are based on actual deliveries through the end of the period.

Southern Company Gas has elected to recognize revenue for sales of gas using the invoice practical expedient as it generally has a right to consideration in an amount that corresponds directly with the value to the customer of the performance completed to date and that may be invoiced. Payment for goods and services rendered is typically due in the subsequent month following satisfaction of Southern Company Gas' performance obligation.

Gas Distribution Operations

Atlanta Gas Light operates in a deregulated natural gas market whereby Marketers, rather than a traditional utility, sell natural gas to end-use customers in Georgia and handle customer billing functions. As required by the Georgia PSC, Atlanta Gas Light bills Marketers in equal monthly installments for each residential, commercial, and industrial end-use customer's distribution costs as well as for capacity costs utilizing a seasonal rate design for the calculation of each residential end-use customer's annual straight-fixed-variable charge, which reflects the historic volumetric usage pattern for the entire residential class.

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The majority of the revenues of Southern Company Gas are generated from contracts with natural gas distribution customers. Revenues from this integrated service to deliver gas when and if called upon by the customer are recognized as a single performance obligation satisfied over time and are recognized at a tariff rate as gas is delivered to the customer during the month.

The standalone selling price is primarily determined by the price charged to customers for the specific goods or services transferred with the performance obligations. Generally, Southern Company Gas recognizes revenue as the performance obligations are satisfied over time as natural gas is delivered to the customer. The performance obligations related to wholesale gas services are satisfied, and revenue is recognized, at a point in time when natural gas is delivered to the customer.

Southern Company Gas has elected to recognize revenue for sales of gas using the invoice practical expedient as it generally has a right to consideration in an amount that corresponds directly with the value to the customer of the performance completed to date and that may be invoiced. Payment for goods and services rendered is typically due in the subsequent month following satisfaction of Southern Company Gas' performance obligation.

With the exception of Atlanta Gas Light, the natural gas distribution utilities have rate structures that include volumetric rate designs that allow the opportunity to recover certain costs based on gas usage. Revenues from sales and transportation services are recognized in the same period in which the related volumes are delivered to customers. Revenues from residential and certain commercial and industrial customers are recognized on the basis of scheduled meter readings. Additionally, unbilled revenues are recognized for estimated deliveries of gas not yet billed to these customers, from the last bill date to the end of the accounting period. For other commercial and industrial customers, revenues are based on actual deliveries through the end of the period.

The tariffs for the natural gas distribution utilities include provisions which allow for the recognition of certain revenues prior to the time such revenues are billed to customers. These provisions are referred to as alternative revenue programs and provide for the recognition of certain revenues prior to billing, as long as the amounts recognized will be collected from customers within 24 months of recognition. Revenue related to alternative revenue programs was $43 million, $20 million, and $(5) million in 2024, 2023, and $11 million in 2023, 2022, and 2021, respectively. These programs are as follows: primarily consist of:

- *Weather normalization adjustments* – reduce customer bills when winter weather is colder than normal and increase customer bills when weather is warmer than normal and are included in the tariffs for Virginia Natural Gas and Chattanooga Gas;
- *Revenue normalization mechanisms* – mitigate the impact of conservation and declining customer usage and are contained in the tariffs for Virginia Natural Gas and Nicor Gas; and
- *Revenue true-up adjustment* – included within the provisions of the GRAM program in which Atlanta Gas Light participates as a short-term alternative to formal rate case filings, the revenue true-up feature provides for a positive (or negative) adjustment to record revenue in the amount of any variance to budgeted revenues, which are submitted and approved annually as a requirement of GRAM. Such adjustments are reflected in customer billings in a subsequent program year.

Wholesale Gas Marketing Services

Prior Gas marketing services is comprised of several choice-based natural gas marketers operating in various deregulated jurisdictions. While gas marketing services follows the same general approach to the sale of Sequent on July 1, 2021, revenue recognition described for Southern Company Gas netted revenues from energy and risk management activities with the associated costs. Profits from sales between segments were eliminated and recognized as goods or services sold to end-use customers. Southern Company Gas recorded wholesale gas services' transactions that qualified as derivatives at fair value with changes in fair value recognized in earnings in the period of change and characterized as unrealized gains or losses. Gains

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and losses on derivatives held for energy trading purposes were presented on a net basis in revenue. See Note 15 under "Southern Company Gas" for additional information on the sale of Sequent.

Gas Marketing Services

Southern Company Gas above, it recognizes revenues from natural gas sales and transportation services in the same period in which the related volumes are delivered to customers and recognizes sales revenues from residential and on certain commercial and industrial customers on the basis of scheduled meter readings. Southern Company Gas also recognizes unbilled revenues for estimated deliveries of gas not yet billed to these customers from the most recent meter reading date to the end of the accounting period. For other commercial and industrial customers and for all wholesale customers, revenues are based on actual deliveries during the period.

Southern Company Gas recognizes revenues on 12-month utility-bill management contracts as the lesser of cumulative earned or cumulative billed amounts.

Concentration of Revenue

Southern Company, Alabama Power, Georgia Power, Mississippi Power (with the exception of its full requirements cost-based MRA electric tariffs described below), Southern Power, and Southern Company Gas each have a diversified base of customers and no single customer comprises 10% or more of each company's revenues.

Mississippi Power provides service under long-term contracts with rural electric cooperative associations and a municipality located in southeastern Mississippi under requirements cost-based MRA electric tariffs which are subject to regulation by the FERC. The contracts with these wholesale customers represented 14.0% 13.9% of Mississippi Power's total operating revenues in 2023, 2024.

Fuel Costs

Fuel costs for the traditional electric operating companies and Southern Power are expensed as the fuel is used. Fuel expense generally includes fuel transportation costs and the cost of purchased emissions allowances as they are used. For Alabama Power and Georgia Power, fuel expense also includes the amortization of the cost of nuclear fuel. For the traditional electric operating companies, fuel costs also include gains and/or losses from fuel-hedging programs as approved by their respective state PSCs.

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COMBINED NOTES TO FINANCIAL STATEMENTS

Cost of Natural Gas

Excluding Atlanta Gas Light, which does not sell natural gas to end-use customers, Southern Company Gas charges its utility customers for natural gas consumed using natural gas cost recovery mechanisms set by the applicable state regulatory agencies. Under these mechanisms, all prudently-incurred natural gas costs are passed through to customers without markup, subject to regulatory review. Southern Company Gas defers or accrues the difference between the actual cost of natural gas and the amount of commodity revenue earned in a given period such that no operating income is recognized related to these costs. The deferred or accrued amount is either billed or refunded to customers prospectively through adjustments to the commodity rate. Deferred and accrued natural gas costs are included in the balance sheets as regulatory assets and regulatory liabilities, respectively.

Southern Company Gas' gas marketing services' customers are charged for actual or estimated natural gas consumed. Within cost of natural gas, Southern Company Gas also includes costs of lost and unaccounted for gas and gains and losses associated with certain derivatives.

Income Taxes

The Registrants use the liability method of accounting for deferred income taxes and provide deferred income taxes for all significant income tax temporary differences. In accordance with regulatory requirements, deferred federal ITCs for the traditional electric operating companies are amortized over the average life of the related property, with such amortization normally applied as a credit to reduce depreciation and amortization in the statements of income. Southern Power's and the natural gas distribution utilities' deferred federal ITCs, as well as certain state ITCs for Nicor Gas, are amortized to income tax expense over the life of the respective asset.

Under current tax law, certain projects at Southern Power related to the construction of renewable facilities are eligible for federal ITCs. Southern Power estimates eligible costs which, as they relate to acquisitions, may not be finalized until the allocation of the purchase price to assets has been finalized. Southern Power applies the deferred method to ITCs, whereby the ITCs are recorded as a deferred credit and amortized to income tax expense over the life of the respective asset. Furthermore, the tax basis of the asset is reduced by 50% of the ITCs received, resulting which, together with the deferred credit, results in a net deferred tax asset. Southern Power has elected to recognize the tax benefit of this basis difference as a reduction to income tax expense in the year in which the plant reaches commercial operation. State ITCs are recognized as an income tax benefit in the period in which the credits are generated. In addition, certain projects are eligible for federal and state PTCs, which are recognized as an income tax benefit based on KWH production.

COMBINED NOTES TO FINANCIAL STATEMENTS

Federal ITCs and PTCs, as well as state ITCs and other state tax credits available to reduce income taxes payable, were not fully utilized in 2023 2024 and will be carried forward and utilized in future years. In addition, Southern Company is expected to have various state net operating loss (NOL) carryforwards for certain of its subsidiaries, including Mississippi Power and Southern Power, which would result in income tax benefits in the future, if utilized. See Note 10 under "Current "Deferred Tax Assets and Deferred Income Taxes**Liabilities –** Tax Credit Carryforwards" and " **–** Net Operating Loss Carryforwards" for additional information.

In June 2023, April 2024, the IRS issued temporary final regulations related to the transferability of certain tax credits under the IRA. Southern Company and certain subsidiaries have tax credits that are eligible to be transferred. transferred at a discount to the generated credit value. The discount will be recorded on transferred as a reduction in tax credits is booked through income tax expense. recognized in the financial statements. See Note 10 under "Current and Deferred Income Taxes" for additional information.

Under current tax law, Georgia Power is eligible to generate advanced nuclear PTCs for Plant Vogtle Unit Units 3 and 4, which are recognized as an income tax benefit based on KWH production and are eligible to be transferred. Pursuant to the Global Amendments to the Vogtle Joint Ownership Agreements (as defined in Note 2 under "Georgia Power – Nuclear Construction – Joint Owner Contracts" Cost and Schedule"), Georgia Power is purchasing advanced nuclear PTCs for Plant Vogtle Unit Units 3 and 4 from the other Vogtle Owners. The gain recognized on the purchase of the joint owner PTCs is recognized as an income tax benefit.

The Registrants recognize tax positions that are "more likely than not" of being sustained upon examination by the appropriate taxing authorities. See Note 10 under "Unrecognized Tax Benefits" for additional information.

Other Taxes

Taxes imposed on and collected from customers on behalf of governmental agencies are presented net on the Registrants' statements of income and are excluded from the transaction price in determining the revenue related to contracts with a customer.

Southern Company Gas is taxed on its gas revenues by various governmental authorities, but is allowed to recover these taxes from its customers. Revenue taxes imposed on the natural gas distribution utilities are recorded at the amount charged to customers, which may include a small administrative fee, as operating revenues, and the related taxes imposed on Southern Company Gas are recorded as operating expenses on the statements of income. Revenue taxes included in operating expenses were $129 million $112 million, $158 million $129 million, and $119 million $158 million in 2024, 2023, and 2022, and 2021, respectively.

COMBINED NOTES TO FINANCIAL STATEMENTS

Allowance for Funds Used During Construction and Interest Capitalized

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The traditional electric operating companies and the natural gas distribution utilities record AFUDC, which represents the estimated debt and equity costs of capital funds that are necessary to finance the construction of new regulated facilities. While cash is not realized currently, AFUDC increases the revenue requirement and is recovered over the service life of the asset through a higher rate base and higher depreciation. The equity component of AFUDC is not taxable.

Interest related to financing the construction of new facilities at Southern Power and new facilities not included in the traditional electric operating companies' and Southern Company Gas' regulated rates is capitalized in accordance with standard interest capitalization requirements.

Total AFUDC and interest capitalized for the applicable Registrants in 2024, 2023, 2022, and 2021 2022 was as follows:

	Southern Company	Alabama Power	Georgia Power(*)	Southern Power	Southern Company Gas	Alabama Power	Georgia Power(*)	Southern Power	Southern Company Gas
					(in millions)				
2024									
2023									
2022									
2021									

(*) See Note 2 under "Georgia Power – Nuclear Construction" for information on the inclusion of a portion of construction costs related to Plant Vogtle Unit Units 3 and 4 in Georgia Power's rate base. base through each unit's respective in-service date.

COMBINED NOTES TO FINANCIAL STATEMENTS

The average AFUDC composite rates for 2024, 2023, 2022, and 2021 2022 for the traditional electric operating companies and the natural gas distribution utilities were as follows:

		2024	2023	2022		2023	2022	2021
Alabama Power	Alabama Power	8.1 %	7.9 %	7.9 %	Alabama Power	**8.1 %**	8.1 %	7.9 %
Georgia Power(a)	Georgia Power(a)	7.6 %	7.3 %	7.2 %	Georgia Power(a)	**7.7 %**	7.6 %	7.3 %
Mississippi Power(b)	Mississippi Power(b)	— %	5.3 %	2.5 %	Mississippi Power(b)	**— %**	— %	5.3 %
Southern Company Gas:								
Atlanta Gas Light								
Atlanta Gas Light								
Atlanta Gas Light		7.4 %	7.6 %	7.7 %		**7.7 %**	7.4 %	7.6 %
Chattanooga Gas	Chattanooga Gas	7.1 %	7.1 %	7.1 %	Chattanooga Gas	**7.1 %**	7.1 %	7.1 %
Nicor Gas	Nicor Gas	4.6 %	2.0 %	0.1 %	Nicor Gas	**5.6 %**	4.6 %	2.0 %

(a) Excludes AFUDC related to the construction of Plant Vogtle Units 3 and 4. 4 in 2022 and 2023 and Plant Vogtle Unit 4 in 2024. See Note 2 under "Georgia Power – Nuclear Construction" for additional information.

(b) Mississippi Power's AFUDC was immaterial in 2024 and 2023.

Impairment of Long-Lived Assets

The Registrants evaluate long-lived assets and finite-lived intangible assets for impairment when events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The determination of whether an impairment has occurred is based on either a specific regulatory disallowance, a sales transaction price that is less than the asset group's carrying amount, or an estimate of undiscounted future cash flows attributable to the asset group, as compared with the carrying amount of the assets. If an impairment has occurred, the amount of the impairment loss recognized is determined by either the amount of regulatory disallowance or by the amount the carrying amount exceeds the estimated fair value of the assets. For assets identified as held for sale, the carrying amount is compared to the estimated fair value less the cost to sell in order to determine if an impairment loss is required. Until the assets are disposed of, their estimated fair value is re-evaluated when circumstances or events change. See Notes 7

In the third quarter 2024, Alabama Power discontinued the development of a multi-use commercial facility. Given the decision to discontinue commercial development, Alabama Power performed an impairment test using a comparative market analysis and 9 under "Southern Company Gas" determined the carrying amount of the asset exceeded its fair value, net of selling costs. This resulted in a pre-tax impairment loss of $36 million ($27 million after tax) reflected in other operations and "Southern Company Leveraged Lease," respectively, and maintenance on the statements of income.

See Note 15 under "Southern Company" and "Southern Company Gas" for information regarding impairment charges recorded during the periods presented. 2022.

Goodwill and Other Intangible Assets

Goodwill and other intangible assets not subject to amortization are evaluated for impairment on an annual basis and when events or changes in circumstances necessitate an evaluation for impairment. Other intangible assets subject to amortization are

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COMBINED NOTES TO FINANCIAL STATEMENTS

evaluated for impairment when events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable.

Southern Power's intangible assets consist primarily of certain PPAs acquired, which are amortized over the term of the respective PPA. Southern Company Gas' goodwill and other intangible assets primarily relate to its 2016 acquisition by Southern Company. In addition to these items, Southern Company's goodwill and other intangible assets also relate to its 2016 acquisition of PowerSecure.

For its 2024 annual goodwill impairment test, Southern Company Gas management performed the quantitative assessment, which resulted in the fair value of its reporting units with goodwill exceeding their carrying amounts. For its 2023 and 2022 annual goodwill impairment tests, Southern Company Gas management performed the qualitative assessment and determined that it was more likely than not that the fair value of all of its reporting units with goodwill exceeded their carrying amounts, and therefore no quantitative assessment was required.

For its 2021 2024 annual goodwill impairment test, Southern Company Gas PowerSecure management performed the quantitative qualitative assessment and confirmed determined that it was more likely than not that the fair values value of all of PowerSecure exceeded its reporting units with goodwill exceeded their carrying amounts.

amount, and therefore no quantitative assessment was required. For its 2023 and 2021 annual goodwill impairment tests, test, PowerSecure management performed the quantitative assessment, which resulted in the fair value of PowerSecure exceeding its carrying amount. For its 2022 annual goodwill impairment test, PowerSecure management performed the quantitative assessment, which resulted in the fair value of PowerSecure being lower than its carrying amount. The fair value was estimated using a discounted cash flow analysis. The decline in fair value primarily resulted from declining macroeconomic conditions, reducing sales growth and estimated cash flows. As a result, a goodwill impairment of $119 million was recorded in the fourth quarter 2022.

At December 31, 2024 and 2023, goodwill was as follows:

	At December 31, 2024	At December 31, 2023
	(in millions)	
Southern Company	**$ 5,161**	$ 5,161
Southern Company Gas:		
Gas distribution operations	**$ 4,034**	$ 4,034
Gas marketing services	**981**	981
Southern Company Gas total	**$ 5,015**	$ 5,015

COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2023 December 31, 2024 and 2022, goodwill was as follows:

	At December 31, 2023	At December 31, 2022
	(in millions)	
Southern Company	$ 5,161	$ 5,161
Southern Company Gas:		
Gas distribution operations	$ 4,034	$ 4,034
Gas marketing services	981	981
Southern Company Gas total	$ 5,015	$ 5,015

At December 31, 2023 and 2022, 2023, other intangible assets were as follows:

	At December 31, 2023			At December 31, 2022		
	At December 31, 2024			At December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Other Intangible Assets, Net	Gross Carrying Amount	Accumulated Amortization	Other Intangible Assets, Net
	(in millions)					
Southern Company						

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Subject to amortization:	
Subject to amortization:	
Subject to amortization:	
Customer relationships	
Customer relationships	
Customer relationships	
Trade names	
PPA fair value adjustments	
Other	
Total subject to amortization	
Not subject to amortization:	
FCC licenses	
FCC licenses	
FCC licenses	
Total other intangible assets	
Southern Power(*)	
Southern Power(*)	
Southern Power(*)	
PPA fair value adjustments	
PPA fair value adjustments	
PPA fair value adjustments	
Southern Company Gas(*)	
Southern Company Gas(*)	
Southern Company Gas(*)	
Gas marketing services	
Gas marketing services	
Gas marketing services	
Customer relationships	
Customer relationships	
Customer relationships	
Trade names	
Total other intangible assets	

(*) All subject to amortization.

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Amortization associated with other intangible assets in 2024, 2023, 2022, and 2021 2022 was as follows:

	2023	2022	2021
	2024	2023	2022
			(in millions)
Southern Company[(a)]			
Southern Power[(b)]			
Southern Company Gas:			
Southern Company Gas			
Gas marketing services			
Gas marketing services			
Gas marketing services			

(a) Includes $20 million annually recorded as a reduction to operating revenues.

(b) Recorded as a reduction to operating revenues.

At December 31, 2023 December 31, 2024, the estimated amortization associated with other intangible assets for the next five years is as follows:

	2024	2025	2026	2027	2028
	2025	2026	2027	2028	2029
				(in millions)	
Southern Company					
Southern Power					
Southern Company Gas					
Gas marketing services					
Gas marketing services					
Gas marketing services					

Acquisition Accounting

At the time of an acquisition, management will assess whether acquired assets and activities meet the definition of a business. Acquisitions that meet the definition of a business are accounted for under the acquisition method, and operating results from the date of acquisition are included in the acquiring entity's financial statements. Identifiable assets acquired, liabilities assumed, and

any noncontrolling interests (including any intangible assets) are recognized and measured at fair value. Assets acquired that do not meet the definition of a business are accounted for as an asset acquisition. The purchase price of each asset acquisition is allocated based on the relative fair value of assets acquired. See Note 15for additional information, including recent and proposed acquisitions.

Determining the fair value of assets acquired and liabilities assumed requires management judgment and management may engage independent valuation experts to assist in this process. Fair values are determined by using market participant assumptions and typically include the timing and amounts of future cash flows, incurred construction costs, the nature of acquired contracts, discount rates, power market prices, and expected asset lives. For potential or successful acquisitions that meet the definition of a business, any due diligence or transaction costs incurred are expensed as incurred. If the acquisition is accounted for as an asset acquisition, direct and incremental transaction costs can be capitalized as a component of the cost of the assets acquired.

Historically, any contingent consideration relates to fixed amounts due to the seller once an acquired construction project is placed in service. For contingent consideration with variable payments, management fair values the arrangement with any changes recorded in the statements of income. See Note 13 for additional fair value information.

Development Costs

For Southern Power, development costs are capitalized once a project is probable of completion, primarily based on a review of its economics and operational feasibility, as well as the status of power off-take agreements and regulatory approvals, if applicable. Southern Power's capitalized development costs are included in CWIP on the balance sheets. All of Southern Power's development costs incurred prior to the determination that a project is probable of completion are expensed as incurred and included in other operations and

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maintenance expense in the statements of income. If it is determined that a project is no longer probable of completion, any of Southern Power's capitalized development costs are expensed and included in other operations and maintenance expense in the statements of income.

Long-Term Service Agreements

The traditional electric operating companies and Southern Power have entered into LTSAs for the purpose of securing maintenance support for certain of their generating facilities. The LTSAs cover all planned inspections on the covered equipment, which generally includes the cost of all labor and materials. The LTSAs also obligate the counterparties to cover the costs of unplanned maintenance on the covered equipment subject to limits and scope specified in each contract.

Payments made under the LTSAs for the performance of any planned inspections or unplanned capital maintenance are recorded in the statements of cash flows as investing activities. Receipts of major parts into materials and supplies inventory prior to planned inspections are treated as noncash transactions in the statements of cash flows. Any payments made prior to the work

being performed are recorded as prepayments in other current assets and noncurrent non-current assets on the balance sheets. sheets or reduce existing payables for LTSA-related work already completed. At the time work is performed, an appropriate amount is accrued for future payments or transferred from the prepayment and recorded as property, plant, and equipment or expensed.

Transmission Receivables/Prepayments

As a result of Southern Power's acquisition and construction of generating facilities, Southern Power has transmission receivables and/or prepayments representing the portion of interconnection network and transmission upgrades that will be reimbursed to Southern Power. Upon completion of the related project, transmission costs are generally reimbursed by the interconnection provider within a five-year period and the receivable/prepayments are reduced as payments or services are received.

Cash, Cash Equivalents, and Restricted Cash

For purposes of the financial statements, temporary cash investments are considered cash equivalents. Temporary cash investments are securities with original maturities of 90 days or less.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheets that total to the amount shown in the statements of cash flows for the applicable Registrants:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Southern Power	Southern Company Gas
						(in millions)					
At December 31, 2024											
Cash and cash equivalents											
Cash and cash equivalents											
Cash and cash equivalents											
Restricted cash[(a)]:											
Other current assets											
Other current assets											
Other current assets											
Total cash, cash equivalents, and restricted cash[(b)]											
Total cash, cash equivalents, and restricted cash[(b)]											
Total cash, cash equivalents, and restricted cash[(b)]											
At December 31, 2023											
At December 31, 2023											
At December 31, 2023											
Cash and cash equivalents											
Cash and cash equivalents											

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Cash and cash equivalents	
Restricted cash(a):	
Other current assets	
Other current assets	
Other current assets	
Other deferred charges and assets	
Total cash, cash equivalents, and restricted cash(b)	

At December 31, 2022									
At December 31, 2022									
At December 31, 2022									
Cash and cash equivalents									
Cash and cash equivalents									
Cash and cash equivalents									
Restricted cash(a):									
Other current assets									
Other current assets									
Other current assets									
Other deferred charges and assets									
Total cash, cash equivalents, and restricted cash(b)									

(a) For Alabama Power and Georgia Power, reflects proceeds from the issuance of solid waste disposal facility revenue bonds in 2023. For Georgia Power, reflects proceeds from the issuance of solid waste disposal facility revenue bonds in 2022. and 2022, respectively. See Note 8 under "Long-term Debt" for additional information. For Southern Power, reflects $9 million and $17 million at December 31, 2023 December 31, 2024 and 2023, respectively, resulting from an arbitration award held to fund future replacement costs and $3 million at both December 31, 2023 and 2022 held to fund estimated construction completion costs at the Deuel Harvest wind facility. See Note 3 under "General Litigation Matters – Southern Power" and Note 15 under "Southern Power" for additional information. For Southern Company Gas, reflects collateral for workers' compensation, life insurance, and long-term disability insurance.

(b) Total may not add due to rounding.

COMBINED NOTES TO FINANCIAL STATEMENTS

Storm Damage and Reliability Reserves

In accordance with their respective state PSC orders, the traditional electric operating companies accrue certain amounts annually related to storm damage recovery. Each traditional electric operating company maintains a reserve to cover or is allowed to defer and recover the cost of damages from major storms to its transmission and distribution lines facilities and, for Mississippi Power, the cost of uninsured damages to its generation facilities and other property. Alabama Power and Mississippi Power also has have authority from the Alabama PSC and the Mississippi PSC, respectively, to accrue certain additional amounts as circumstances warrant. Alabama Power recorded an additional accrual of $65 million $21 million in 2021. 2024, which is included in the table below.

Storm damage reserve activity for the traditional electric operating companies during 2023 and 2024 was as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company	Alabama Power	Georgia Power	Mississippi Power
			(in millions)						
Balance at December 31, 2022									
Balance at December 31, 2022									

			(in millions)						
Balance at December 31, 2022									
Accrual									
Weather-related damages									
Balance at December 31, 2023									
Accrual									
Weather-related damages									

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Balance at December 31, 2024

The traditional electric operating companies accrued the following amounts related to storm damage recovery in 2022 and 2021: 2022:

	Southern Company[b]	Southern Company[b]	Alabama Power[a]	Georgia Power	Mississippi Power[b]	Southern Company[b]	Alabama Power	Georgia Power	Mississippi Power
				(in millions)					
2022									
2022									
2022									
2021									

(a) Alabama Power's 2021 amount includes the $65 million additional accrual discussed above.

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(b) Mississippi Power's net accrual includes carrying costs, as well as amortization of related excess deferred income tax benefits.

COMBINED NOTES TO FINANCIAL STATEMENTS

In 2022, costs for weather-related damages charged against storm damage reserves totaled $24 million and $82 million for Alabama Power and Georgia Power, respectively, and were immaterial for Mississippi Power.

See Note 2 under "Alabama Power – Rate NDR," "Georgia Power – Storm Damage Recovery," and "Mississippi Power – System Restoration Rider" for additional information regarding each company's storm damage reserve.

During 2022, the Alabama PSC and the Mississippi PSC authorized Alabama Power and Mississippi Power, respectively, to make accruals to a reliability reserve if certain conditions are met. During 2024, 2023, and 2022, Alabama Power and Mississippi Power accrued the following amounts to their reliability reserves:

	Southern Company	Southern Company	Alabama Power	Mississippi Power	Southern Company	Alabama Power	Mississippi Power
			(in millions)				
2024							
2023							
2022							

See Note 2 under "Alabama Power – Reliability Reserve Accounting Order" and "Mississippi Power – Reliability Reserve Accounting Order" for additional information.

Materials and Supplies

Materials and supplies for the traditional electric operating companies generally includes the average cost of transmission, distribution, and generating plant materials. Materials and supplies for Southern Company Gas generally includes the average cost of propane gas inventory, liquefied natural gas inventory, fleet fuel, and other materials and supplies. Materials and supplies for Southern Power generally includes the average cost of generating plant materials.

Materials are recorded to inventory when purchased and then expensed or capitalized to property, plant, and equipment, as appropriate, at weighted average cost when installed. In addition, certain major parts are recorded as inventory when acquired and then capitalized at cost when installed to property, plant, and equipment.

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COMBINED NOTES TO FINANCIAL STATEMENTS

Fuel Inventory

Fuel inventory for the traditional electric operating companies includes the average cost of coal, natural gas, oil, transportation, and emissions allowances. Fuel inventory for Southern Power, which is included in other current assets, includes the average cost of oil, natural gas, and emissions allowances. Fuel is recorded to inventory when purchased and then expensed, at weighted average cost, as used. Emissions allowances granted by the EPA are included in inventory at zero cost. The traditional electric operating companies recover fuel expense through fuel cost recovery rates approved by each state PSC or, for wholesale rates, the FERC.

Natural Gas for Sale

With the exception of Nicor Gas, Southern Company Gas records natural gas inventories on a weighted average cost of gas basis. In Georgia's deregulated, competitive environment, Marketers sell natural gas to firm end-use customers at market-based prices. On a monthly basis, Atlanta Gas Light assigns to Marketers the majority of the pipeline storage services that it has under contract, along with a corresponding amount of inventory. Atlanta Gas Light retains and manages a portion of its pipeline storage assets and related natural gas inventories for system balancing and to serve system demand.

Nicor Gas' natural gas inventory is carried at cost on a LIFO basis. Inventory decrements occurring during the year that are restored prior to year-end are charged to cost of natural gas at the estimated annual replacement cost. Inventory decrements that are not restored prior to year-end are charged to cost of natural gas at the actual LIFO cost of the

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inventory layers liquidated. The cost of natural gas, including inventory costs, is recovered from customers under a purchased gas recovery mechanism adjusted for differences between actual costs and amounts billed; therefore, LIFO liquidations have no impact on Southern Company's or Southern Company Gas' net income. At December 31, 2023 December 31, 2024, the Nicor Gas LIFO inventory balance was $186 million $188 million. Based on the average cost of gas purchased in December 2023, 2024, the estimated replacement cost of Nicor Gas' inventory at December 31, 2023 December 31, 2024 was $268 million $326 million.

Provision for Uncollectible Accounts

The customers of the traditional electric operating companies and the natural gas distribution utilities are billed monthly. For the majority of receivables, a provision for uncollectible accounts is established based on historical collection experience and other factors. For the remaining receivables, if the company is aware of a specific customer's inability to pay, a provision for

uncollectible accounts is recorded to reduce the receivable balance to the amount reasonably expected to be collected. If circumstances change, the estimate of the recoverability of accounts receivable could change as well. Circumstances that could affect this estimate include, but are not limited to, customer credit issues, customer deposits, and general economic conditions. Customers' accounts are written off once they are deemed to be uncollectible. For all periods presented, uncollectible accounts averaged less than 1% of revenues for each Registrant.

Credit risk exposure at Nicor Gas is mitigated by a bad debt rider approved by the Illinois Commission. The bad debt rider provides for the recovery from (or refund to) customers of the difference between Nicor Gas' actual bad debt experience on an annual basis and the benchmark bad debt expense used to establish its base rates for the respective year.

Concentration of Credit Risk

Concentration of credit risk occurs at Atlanta Gas Light for amounts billed for services and other costs to its customers, which consist of 13 14 Marketers in Georgia (including SouthStar). The credit risk exposure to the Marketers varies seasonally, with the lowest exposure in the non-peak summer months and the highest exposure in the peak winter months. Marketers are responsible for the retail sale of natural gas to end-use customers in Georgia. The functions of the retail sale of gas include the purchase and sale of natural gas, customer service, billings, and collections. The provisions of Atlanta Gas Light's tariff allow Atlanta Gas Light to obtain credit security support in an amount equal to a minimum of two times a Marketer's highest month's estimated bill from Atlanta Gas Light.

Financial Instruments

The traditional electric operating companies and Southern Power use derivative financial instruments to limit exposure to fluctuations in interest rates, the prices of certain fuel purchases, electricity purchases and sales, and occasionally foreign currency exchange rates. Southern Company Gas uses derivative financial instruments to limit exposure to fluctuations in natural gas prices, weather, and interest rates, and commodity prices. rates. All derivative financial instruments are recognized as either assets or liabilities on the balance sheets (included in "Other" or shown separately as "Risk Management Activities") and are measured at fair value. See Note 13 for additional information regarding fair value. Substantially all of the traditional electric operating companies', Southern Power's, and Southern Power's Company Gas' bulk energy purchases and sales contracts that meet the definition of a derivative are excluded from fair value accounting requirements because they qualify for the "normal" scope exception and are accounted for under the accrual method. Derivative contracts that qualify as cash flow hedges of anticipated transactions or are recoverable through the

traditional electric operating companies' and the natural gas distribution utilities' fuel-hedging programs result in the deferral of related gains and losses in AOCI or regulatory assets and liabilities, respectively, until the hedged transactions occur. Other derivative contracts that qualify as fair value hedges are marked to market through current period income and are recorded on a net basis in the statements of income. Cash flows from derivatives are classified on the statements of cash flows in the same category as the hedged item. See Note 14 for additional information regarding derivatives.

The Registrants offset fair value amounts recognized for multiple derivative instruments executed with the same counterparty under netting arrangements. The Registrants had no outstanding collateral repayment obligations or rights to reclaim collateral arising from derivative instruments recognized at December 31, 2023 December 31, 2024.

The Registrants are exposed to potential losses related to financial instruments in the event of counterparties' nonperformance. The Registrants have established risk management policies and controls to determine and monitor the creditworthiness of counterparties in order to mitigate their exposure to counterparty credit risk.

Southern Company Gas

Southern Company Gas enters into weather derivative contracts as economic hedges of natural gas revenues in the event of warmer-than-normal weather in the Heating Season. Exchange-traded options are carried at fair value, with changes reflected in natural gas revenues. Non-exchange-traded options are accounted for using the intrinsic value method. Changes in the intrinsic value for non-exchange-traded contracts are also reflected in natural gas revenues in the statements of income.

Southern Company Gas enters into transactions to secure transportation capacity between delivery points in order to serve its customers and various markets. NYMEX futures and OTC contracts are used to capture the price differential or spread between the locations served by the capacity to substantially protect the natural gas revenues that will ultimately be realized when the physical flow of natural gas between delivery points occurs. These contracts generally meet the definition of derivatives and are carried at fair value on the balance sheets, with changes in fair value included in earnings in the period of change. These contracts are not designated as hedges for accounting purposes.

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The purchase, transportation, storage, and sale of natural gas are accounted for on a weighted average cost or accrual basis, as appropriate, rather than on the fair value basis utilized for the derivatives used to mitigate the natural gas price risk associated with the storage and transportation portfolio. Monthly demand charges are incurred for the contracted storage and transportation

capacity and payments associated with asset management agreements, and these demand charges and payments are recognized on the statements of income in the period they are incurred. This difference in accounting methods can result in volatility in reported earnings, even though the economic margin is substantially unchanged from the dates the transactions were consummated.

Comprehensive Income

The objective of comprehensive income is to report a measure of all changes in common stock equity of an enterprise that result from transactions and other economic events of the period other than transactions with owners. Comprehensive income consists of net income attributable to the Registrant, changes in the fair value of qualifying cash flow hedges, and reclassifications for amounts included in net income. Comprehensive income also consists of certain changes in pension and other postretirement benefit plans for Southern Company, Southern Power, and Southern Company Gas.

AOCI (loss) balances, net of tax effects, for Southern Company, Southern Power, and Southern Company Gas were as follows:

	Qualifying Hedges	Qualifying Hedges	Pension and Other Postretirement Benefit Plans	Accumulated Other Comprehensive Income (Loss)(*)	Qualifying Hedges	Pension and Other Postretirement Benefit Plans	Accumulated Other Comprehensive Income (Loss)(*)
			(in millions)				
Southern Company							
Balance at December 31, 2022							
Balance at December 31, 2022							
Balance at December 31, 2021							
Balance at December 31, 2021							
Balance at December 31, 2021							
Current period change							
Balance at December 31, 2022							
Current period change							
Balance at December 31, 2023							
Current period change							
Balance at December 31, 2024							
Southern Power							
Southern Power							
Southern Power							
Balance at December 31, 2022							
Balance at December 31, 2022							
Balance at December 31, 2021							
Balance at December 31, 2021							
Balance at December 31, 2021							
Current period change							
Balance at December 31, 2022							
Current period change							
Balance at December 31, 2023							
Current period change							
Balance at December 31, 2024							

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Southern Company Gas	
Southern Company Gas	
Southern Company Gas	
Balance at December 31, 2022	
Balance at December 31, 2022	
Balance at December 31, 2021	
Balance at December 31, 2021	
Balance at December 31, 2021	
Current period change	
Balance at December 31, 2022	
Current period change	
Balance at December 31, 2023	
Current period change	
Balance at December 31, 2024	

(*) May not add due to rounding.

Variable Interest Entities

The Registrants may hold ownership interests in a number of business ventures with varying ownership structures. Partnership interests and other variable interests are evaluated to determine if each entity is a VIE. The primary beneficiary of a VIE is required to consolidate the VIE when it has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE. See Note 7 for additional information regarding VIEs.

COMBINED NOTES TO FINANCIAL STATEMENTS

2. REGULATORY MATTERS

Regulatory Assets and Liabilities

Details of regulatory assets and (liabilities) reflected in the balance sheets at December 31, 2023 December 31, 2024 and 2022 2023 are provided in the following tables:

	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
			(in millions)		
At December 31, 2023					
AROs[(a)(w)]	$ 5,733	$ 1,936	$ 3,505	$ 247	$ —
Retiree benefit plans[(b)(w)]	3,011	815	976	140	146
Remaining net book value of retired assets[(c)]	1,357	499	841	17	—
Deferred income tax charges[(d)]	897	262	605	28	—
Under recovered regulatory clause revenues[(e)]	413	381	—	12	20
Fuel-hedging (realized and unrealized) losses[(f)]	270	100	121	49	—
Deferred depreciation[(g)]	270	143	127	—	—
Environmental remediation[(h)(w)]	255	—	20	—	235
Loss on reacquired debt[(i)]	238	35	197	5	1
Vacation pay[(j)(w)]	217	83	107	11	16
Software and cloud computing costs[(k)]	150	59	84	2	5
Regulatory clauses[(l)]	140	112	—	—	28
Storm damage[(m)]	92	—	54	38	—
Nuclear outage[(n)]	83	50	33	—	—
Long-term debt fair value adjustment[(o)]	60	—	—	—	60
Qualifying repairs of natural gas distribution systems[(p)]	40	—	—	—	40
Plant Daniel Units 3 and 4[(q)]	25	—	—	25	—

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Kemper County energy facility assets, net[(r)]	7	—	—	7	—
Other regulatory assets[(s)]	182	39	33	18	93
Deferred income tax credits[(d)]	(4,686)	(1,506)	(2,161)	(241)	(759)
Other cost of removal obligations[(a)]	(1,312)	28	617	(186)	(1,771)
Over recovered regulatory clause revenues[(e)]	(287)	(3)	(46)	—	(238)
Reliability reserves[(t)]	(179)	(143)	—	(36)	—
Storm/property damage reserves[(t)]	(120)	(76)	—	(44)	—
Customer refunds[(u)]	(19)	(15)	(4)	—	—
Fuel-hedging (realized and unrealized) gains[(f)]	(6)	(5)	(1)		—
Other regulatory liabilities[(v)]	(308)	(74)	(18)	(2)	(101)
Total regulatory assets (liabilities), net	$ 6,523	$ 2,720	$ 5,090	$ 90	$ (2,225)

	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
			(in millions)		
At December 31, 2024					
AROs[(*)]	**$ 5,810**	**$ 1,906**	**$ 3,658**	**$ 248**	**$ —**
Retiree benefit plans[(*)]	**2,605**	**680**	**892**	**134**	**44**
Remaining net book value of retired assets	**1,198**	**454**	**729**	**15**	**—**
Deferred income tax charges	**927**	**264**	**634**	**27**	**—**
Storm damage	**859**	**—**	**827**	**32**	**—**
Deferred depreciation	**535**	**286**	**249**	**—**	**—**
Environmental remediation[(*)]	**249**	**—**	**16**	**—**	**233**
Vacation pay[(*)]	**224**	**85**	**112**	**12**	**15**
Loss on reacquired debt	**219**	**32**	**183**	**4**	**—**
Software and cloud computing costs	**200**	**76**	**116**	**4**	**4**
Under recovered regulatory clause revenues	**167**	**119**	**—**	**17**	**31**
Regulatory clauses	**162**	**82**	**—**	**—**	**80**
Nuclear outage	**92**	**39**	**53**	**—**	**—**
Fuel-hedging (realized and unrealized) losses	**69**	**23**	**29**	**17**	**—**
Qualifying repairs of natural gas distribution systems	**53**	**—**	**—**	**—**	**53**
Long-term debt fair value adjustment	**52**	**—**	**—**	**—**	**52**
Plant Daniel Units 3 and 4	**23**	**—**	**—**	**23**	**—**
Other regulatory assets	**184**	**42**	**40**	**30**	**72**
Deferred income tax credits	**(4,536)**	**(1,398)**	**(2,149)**	**(219)**	**(755)**
Other cost of removal obligations	**(1,176)**	**24**	**816**	**(170)**	**(1,846)**
Over recovered regulatory clause revenues	**(285)**	**(29)**	**(52)**	**—**	**(204)**
Reliability reserves	**(188)**	**(131)**	**—**	**(57)**	**—**
Storm/property damage reserves	**(122)**	**(70)**	**—**	**(52)**	**—**
Nuclear fuel disposal cost recovery	**(100)**	**(100)**	**—**	**—**	**—**
Other regulatory liabilities	**(180)**	**(28)**	**(14)**	**(6)**	**(31)**
Total regulatory assets (liabilities), net	**$ 7,041**	**$ 2,356**	**$ 6,139**	**$ 59**	**$ (2,252)**

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	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
			(in millions)		
At December 31, 2022					
AROs[(a)(w)]	$ 6,096	$ 1,971	$ 3,829	$ 242	$ —
Retiree benefit plans[(b)(w)]	2,517	675	848	113	114
Remaining net book value of retired assets[(c)]	1,543	562	962	19	—
Under recovered regulatory clause revenues[(e)]	953	788	—	31	134
Deferred income tax charges[(d)]	866	250	583	30	—
Environmental remediation[(h)(w)]	294	—	25	—	269
Loss on reacquired debt[(i)]	257	38	213	5	1
Vacation pay[(j)(w)]	212	82	108	10	12
Regulatory clauses[(f)]	142	142	—	—	—
Software and cloud computing costs[(k)]	111	46	59	—	6
Nuclear outage[(n)]	82	52	30	—	—
Long-term debt fair value adjustment[(o)]	69	—	—	—	69
Fuel-hedging (realized and unrealized) losses[(f)]	60	15	45	—	—
Storm damage[(m)]	44	—	—	44	—
Plant Daniel Units 3 and 4[(q)]	27	—	—	27	—
Qualifying repairs of natural gas distribution systems[(p)]	26	—	—	—	26
Kemper County energy facility assets, net[(r)]	20	—	—	20	—
Other regulatory assets[(s)]	171	36	27	16	92
Deferred income tax credits[(d)]	(5,251)	(1,925)	(2,244)	(269)	(788)
Other cost of removal obligations[(a)]	(1,430)	11	462	(196)	(1,707)
Storm/property damage reserves[(t)]	(216)	(97)	(83)	(36)	—
Reliability reserves[(t)]	(191)	(166)	—	(25)	—
Customer refunds[(u)]	(183)	(62)	(121)	—	—
Fuel-hedging (realized and unrealized) gains[(f)]	(83)	(38)	(21)	(24)	—
Over recovered regulatory clause revenues[(e)]	(64)	—	(38)	—	(26)
Other regulatory liabilities[(v)]	(239)	(40)	(21)	(3)	(93)
Total regulatory assets (liabilities), net	$ 5,833	$ 2,340	$ 4,663	$ 4	$ (1,891)

	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
			(in millions)		
At December 31, 2023					
AROs[(*)]	$ 5,733	$ 1,936	$ 3,505	$ 247	$ —
Retiree benefit plans[(*)]	3,011	815	976	140	146
Remaining net book value of retired assets	1,357	499	841	17	—
Deferred income tax charges	897	262	605	28	—
Under recovered regulatory clause revenues	413	381	—	12	20
Fuel-hedging (realized and unrealized) losses	270	100	121	49	—
Deferred depreciation	270	143	127	—	—
Environmental remediation[(*)]	255	—	20	—	235
Loss on reacquired debt	238	35	197	5	1
Vacation pay[(*)]	217	83	107	11	16
Software and cloud computing costs	150	59	84	2	5
Regulatory clauses	140	112	—	—	28
Storm damage	92	—	54	38	—
Nuclear outage	83	50	33	—	—
Long-term debt fair value adjustment	60	—	—	—	60

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Qualifying repairs of natural gas distribution systems	40	—	—	—	40
Plant Daniel Units 3 and 4	25	—	—	25	—
Other regulatory assets	189	39	33	25	93
Deferred income tax credits	(4,686)	(1,506)	(2,161)	(241)	(759)
Other cost of removal obligations	(1,312)	28	617	(186)	(1,771)
Over recovered regulatory clause revenues	(287)	(3)	(46)	—	(238)
Reliability reserves	(179)	(143)	—	(36)	—
Storm/property damage reserves	(120)	(76)	—	(44)	—
Other regulatory liabilities	(333)	(94)	(23)	(2)	(101)
Total regulatory assets (liabilities), net	$ 6,523	$ 2,720	$ 5,090	$ 90	$ (2,225)

(*) Generally not earning a return as they are excluded from rate base or are offset in rate base by a corresponding asset or liability.

Unless otherwise noted, the following recovery and amortization periods for these regulatory assets and (liabilities) have been approved by the respective state PSC or regulatory agency:

(a) AROs and other cost of removal obligations generally are– Generally recorded over the related property lives, which may range up to 64 years for Alabama Power, 56 54 years for Georgia Power, 55 67 years for Mississippi Power, and 85 years for Southern Company Gas. AROs and other cost of removal obligations are settled and trued up following completion of the related activities. Alabama Power is recovering CCR ARO expenditures over a 38-year period ending in 2054 through Rate CNP Compliance. Effective January 1, 2023, Georgia Power is recovering CCR ARO expenditures over four-year periods through its ECCR tariff. Prior to 2023, expenditures were recovered over three-year periods. See "Georgia Power – Rate Plans" herein and Note 6 for additional information.

(b) Retiree benefit plans– Recovered and amortized over the average remaining service period, which may range up to 13 14 years for Alabama Power, and Georgia Power, Mississippi Power and up to 14 years for Georgia Power, and Southern Company Gas. Southern Company's balances also include amounts at SCS and Southern Nuclear that are allocated to the applicable regulated utilities. See Note 11 for additional information.

(c) Remaining net book value of retired assets–

Alabama Power: Primarily represents the net book value of Plant Gorgas Unit 10 ($451 419 million at December 31, 2023 December 31, 2024) being amortized over 14 13 years (through 2037) and Plant Barry Unit 4 ($39 35 million at December 31, 2023 December 31, 2024) being amortized over 11 10 years (through 2034). See "Alabama Power – Environmental Accounting Order" herein for additional information.

Georgia Power: Net book values of Plant Wansley Units 1 and 2 and Plant Hammond Units 1 through 4, 3 and Plant Branch Unit 4 (totaling $488 million, $339 million, $418 million and $8 million $302 million, respectively, at December 31, 2023 December 31, 2024) are being amortized over remaining periods between one and 12 11 years (between 2024 2025 and 2035). Balance also includes unusable materials and supplies inventories, for which the Georgia PSC will determine a recovery period in a future base rate case.

Mississippi Power: Represents net book value of certain environmental compliance assets at Plant Watson and Plant Greene County. The retail portion is being amortized over a 10-year period through 2030 10 years (through 2033) and the wholesale portion is being amortized over a 14-year period through 2035. 10 years (through 2034). See "Mississippi Power – Environmental Compliance Overview Plan" herein for additional information.

COMBINED NOTES TO FINANCIAL STATEMENTS

(d) Deferred income tax charges and credits– Charges are recovered and deferred income tax credits are primarily amortized over the related property lives, which may range up to 64 years for Alabama Power, 56 54 years for Georgia Power, 55 67 years for Mississippi Power, and 85 years for Southern Company Gas. See Note 10 for additional information. As a result of the Tax Reform Legislation, these These accounts include certain deferred income tax assets and liabilities not subject to normalization, as described further below:

Alabama Power: Related amounts at December 31, 2023 December 31, 2024 include excess federal deferred income tax liabilities that are available for the benefit of customers in 2024 and/or 2025, as discussed under "Alabama Power – Excess Accumulated Deferred Income Tax Accounting Order" herein. Remaining amounts are being recovered and amortized ratably over the related property lives.

Georgia Power: Related amounts at December 31, 2024 include $145 million $135 million of deferred income tax assets related to construction costs for Plant Vogtle Units 3 and 4 to be being recovered over a 10-year period beginning the month after Unit 4 achieves commercial operation. 10 years (through 2034) and $102 million of excess state deferred income tax liabilities that will be returned to customers in 2025. See "Georgia Power – Nuclear Construction – Regulatory Matters" herein for additional information on recovery of costs related to Plant Vogtle Units 3 and 4.

Mississippi Power: Related amounts include retail deferred income tax liabilities ($11 million at December 31, 2023) that are expected to be fully amortized through 2024.

Southern Company Gas: Related amounts at December 31, 2024 include $24 million of deferred income tax liabilities ($1 million at December 31, 2023) being amortized through 2024. over periods generally not exceeding five years, primarily related to excess state deferred income tax liabilities. See "Southern Company Gas – Rate Proceedings" herein for additional information.

(e) Storm damage– See "Georgia Power – Storm Damage Recovery" herein and Note 1 under "Storm Damage and Reliability Reserves" for additional information. Mississippi Power's balance represents deferred storm costs associated with Hurricanes Ida and Zeta being recovered through PEP over seven years (through 2029).

Deferred depreciation–

Alabama Power: Represents deferred depreciation for Plant Barry Unit 5 ($114 million at December 31, 2024) and Plant Barry common coal assets ($48 million at December 31, 2024) to be amortized until 2036 beginning when Plant Barry Unit 5 is retired and Plant Gaston Unit 5 coal assets ($124 million at December 31, 2024) to be amortized until 2039 beginning when the assets are retired.

Georgia Power: Represents deferred depreciation for Plant Scherer Units 1 through 3 ($139 million at December 31, 2024) to be amortized over six years beginning in 2029 and Plant Bowen Units 1 and 2 ($80 million at December 31, 2024) to be amortized over four years beginning in 2031, both as approved under Georgia Power's 2022 ARP, and Plant Vogtle Unit 3 and common facilities ($29 million at December 31, 2024) being amortized over 10 years (through 2034). See "Georgia Power – Nuclear Construction – Regulatory Matters" herein for additional information on recovery of costs related to Plant Vogtle Units 3 and 4.

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Environmental remediation– Effective January 1, 2023, Georgia Power is recovering $5 million annually for environmental remediation under the 2022 ARP. Southern Company Gas' costs are recovered through environmental cost recovery mechanisms when the remediation work is performed. See Note 3 under "Environmental Remediation" for additional information.

Vacation pay– Recorded as earned by employees and recovered as paid, generally within one year. Includes both vacation and banked holiday pay, if applicable.

Loss on reacquired debt– Recovered over either the remaining life of the original issue or, if refinanced, over the remaining life of the new issue. At December 31, 2024, the remaining amortization periods do not exceed 23 years for Alabama Power, 28 years for Georgia Power, 17 years for Mississippi Power, and three years for Southern Company Gas.

Software and cloud computing costs– Represents certain deferred operations and maintenance costs associated with software and cloud computing projects. For Alabama Power, costs are amortized ratably over the life of the related software, which ranges up to 10 years (through 2034). For Georgia Power, costs incurred through 2022 are being amortized over five years (through 2027), and the recovery period for costs incurred after 2022 will be determined in its next base rate case. For Mississippi Power, the recovery period will be determined in Mississippi Power's annual PEP filing process following the completion of the projects and is expected to begin no earlier than 2026. For Southern Company Gas, costs are being amortized ratably over the life of the related software, which ranges up to 10 years (through 2034).

Under and over recovered regulatory clause revenues–

Alabama Power: Balances are recorded monthly and expected to be recovered over periods of up to seven six years, with the majority expected to be recovered within one year. See "Alabama Power – Rate CNP PPA," " – Rate CNP Compliance," and " – Rate ECR" herein for additional information.

Georgia Power: Balances are recorded monthly and expected to be recovered or returned within two years. See "Georgia Power – Rate Plans" herein for additional information.

Mississippi Power: At December 31, 2023 December 31, 2024, $12 million $17 million is expected to be recovered through various rate recovery mechanisms over a period to be determined in future rate filings. See "Mississippi Power – Ad Valorem Tax Adjustment" herein for additional information.

Southern Company Gas: Balances are recorded and recovered or amortized over periods generally not exceeding five years. In addition to natural gas cost recovery mechanisms, the natural gas distribution utilities have various other cost recovery mechanisms for the recovery of costs, including those related to infrastructure replacement programs.

(f) Regulatory clauses–

Alabama Power: Effective January 1, 2023, balance is being amortized through Rate RSE over a five-year period ending in 2027.

Southern Company Gas: Represents amounts related to Nicor Gas' volume balancing adjustment rider expected to be recovered over a period of less than two years.

Nuclear outage– Costs are deferred to a regulatory asset when incurred and amortized over a subsequent period of 18 months for Alabama Power and up to 24 months for Georgia Power. See Note 5 for additional information.

Fuel-hedging assets (realized and unrealized) losses and gains– Assets and liabilities are recorded over the life of the underlying hedged purchase contracts. Upon final settlement, actual costs incurred are recovered through the applicable traditional electric operating company's fuel cost recovery mechanism. Purchase contracts generally do not exceed three and a half years for Alabama Power, three years for Georgia Power, and four years for Mississippi Power. Immaterial amounts for fuel-hedging gains at December 31, 2024 and 2023 are included in other regulatory liabilities.

(g) Qualifying repairs of natural gas distribution systems*Alabama Power*: Represents deferred depreciation expense for Plant Barry Unit 5 ($57 million at December 31, 2023) and Plant Barry common coal assets ($24 million at December 31, 2023) to be amortized until 2036 beginning when Plant Barry Unit 5 is retired and Plant Gaston Unit 5 coal assets ($62 million at December 31, 2023) to be amortized until 2039 beginning when the assets are retired.

Georgia Power: Represents deferred depreciation expense for Plant Scherer Units 1 through 3 ($70 million at December 31, 2023) to be amortized over six years beginning in 2029 and Plant Bowen Units 1 and 2 ($40 million at December 31, 2023) to be amortized over four years beginning in 2031, both as approved under Georgia Power's 2022 ARP, and Plant Vogtle Unit 3 and common facilities ($17 million at December 31, 2023) to be amortized over a 10-year period beginning the month after Plant Vogtle Unit 4 achieves commercial operation. See "Georgia Power – Nuclear Construction – Regulatory Matters" herein for additional information on recovery of costs related to Plant Vogtle Units 3 and 4.

(h) Effective January 1, 2023, Georgia Power is recovering $5 million annually for environmental remediation under the 2022 ARP. Southern Company Gas' costs are recovered through environmental cost recovery mechanisms when the remediation work is performed. See Note 3 under "Environmental Remediation" for additional information.

(i) Recovered over either the remaining life of the original issue or, if refinanced, over the remaining life of the new issue. At December 31, 2023, the remaining amortization periods do not exceed 24 years for Alabama Power, 29 years for Georgia Power, 18 years for Mississippi Power, and four years for Southern Company Gas.

(j) Recorded as earned by employees and recovered as paid, generally within one year. Includes both vacation and banked holiday pay, if applicable.

(k) Represents certain deferred operations and maintenance costs associated with software and cloud computing projects. For Alabama Power, costs are amortized ratably over the life of the related software, which ranges up to 10 years (through 2034). See "Alabama Power – Software Accounting Order" herein for additional information. For Georgia Power, costs incurred through 2022 are being amortized over five years (through 2027) and the recovery period for costs incurred after 2022 will be determined in its next base rate case. For Mississippi Power, the recovery period will be determined in Mississippi Power's annual PEP filing process. For Southern Company Gas, costs are being amortized ratably over the life of the related software, which ranges up to 10 years (through 2034).

(l) Alabama Power: Effective January 1, 2023, balance is being amortized through Rate RSE over a five-year period ending in 2027.

Southern Company Gas: Represents amounts related to Nicor Gas' volume balancing adjustment rider expected to be recovered over a period of less than two years.

(m) See "Georgia Power – Storm Damage Recovery" herein and Note 1 under "Storm Damage and Reliability Reserves" for additional information. Mississippi Power's balance represents deferred storm costs associated with Hurricanes Ida and Zeta being recovered through PEP over a seven-year period through 2029.

(n) Nuclear outage costs are deferred to a regulatory asset when incurred and amortized over a subsequent period of 18 months for Alabama Power and up to 24 months for Georgia Power. See Note 5 for additional information.

(o) Recovered over the remaining lives of the original debt issuances at acquisition, which range up to 15 years at December 31, 2023.

(p) Represents deferred costs of certain repairs at Atlanta Gas Light being amortized over 20 years.

(q) Long-term debt fair value adjustment*Represents the difference between Mississippi Power's revenue requirement for Plant Daniel Units 3 and 4 under purchase accounting and operating lease accounting. At December 31, 2023, consists of the $17 million retail portion being amortized through 2039*– Recovered over the remaining life lives of the related property and the $8 million wholesale portion being amortized through 2035.

(r) At December 31, 2023, includes $9 million of regulatory assets (wholesale) expected original debt issuances at acquisition, which range up to be fully amortized by 2035 and $2 million of regulatory liabilities (retail) expected to be fully amortized by 2024.

(s) Comprised of numerous immaterial components with remaining amortization periods at December 31, 2023 generally not exceeding 20 years for Alabama Power, 10 years for Georgia Power, 14 years for Mississippi Power, and 15 years for Southern Company Gas. at December 31, 2024.

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COMBINED NOTES TO FINANCIAL STATEMENTS

(t) Plant Daniel Units 3 and 4– Represents the difference between Mississippi Power's revenue requirement for Plant Daniel Units 3 and 4 under purchase accounting and operating lease accounting. At December 31, 2024, consists of the $16 million retail portion being amortized through 2039 over the remaining life of the related property and the $8 million wholesale portion being amortized over 10 years (through 2034).

Other regulatory assets– Comprised of numerous immaterial components with remaining amortization periods at December 31, 2024 generally not exceeding 19 years for Alabama Power, 10 years for Georgia Power, 10 years for Mississippi Power, and 15 years for Southern Company Gas.

Reliability reserves and storm/property damage reserves– Utilized as related expenses are incurred. See "Alabama Power – Rate NDR" and " – Reliability Reserve Accounting Order," "Georgia Power – Storm Damage Recovery," and "Mississippi Power – System Restoration Rider" and " – Reliability Reserve Accounting Order" herein and Note 1 under "Storm Damage and Reliability Reserves" for additional information.

(u) Nuclear fuel disposal cost recovery*Primarily includes approximately $15 million and $62 million at December 31, 2023 and 2022, respectively, for Alabama Power and $119 million at December 31, 2022 for Georgia Power as a result of each company exceeding its allowed retail return range. Georgia Power's balances also include immaterial amounts*– Represents award resulting from litigation related to refunds for transmission service customers. nuclear fuel disposal costs. See "Alabama Power – Rate RSE" and "Georgia Power – Rate Plans" herein Note 3 under "Nuclear Fuel Disposal Costs" for additional information.

(v) Other regulatory liabilities– Comprised of numerous immaterial components with remaining amortization periods at December 31, 2023 December 31, 2024 generally not exceeding 11 years one year for Alabama Power, nine three years for Georgia Power, four years one year for Mississippi Power, and 20 years for Southern Company Gas.

(w) Generally not earning a return as they are excluded from rate base or are offset in rate base by a corresponding asset or liability.

Alabama Power

Alabama Power's revenues from regulated retail operations are collected through various rate mechanisms subject to the oversight of the Alabama PSC. Alabama Power currently recovers its costs from the regulated retail business primarily through Rate RSE, Rate CNP, Rate ECR, and Rate NDR. In addition, the Alabama PSC issues accounting orders to address current events impacting Alabama Power.

Petition for Certificate of Convenience and Necessity

On October 24, 2024, Alabama Power entered into an agreement to acquire all of the equity interests in Tenaska Alabama Partners, L.P. for a total purchase price of approximately $622 million, subject to working capital adjustments. Tenaska Alabama Partners, L.P. owns and operates the Lindsay Hill Generating Station, an approximately 855-MW combined cycle generation facility in Autauga County, Alabama. On October 30, 2024, Alabama Power filed a petition for a CCN with the Alabama PSC for authorization to procure additional generating capacity through the acquisition of the Lindsay Hill Generating Station.

As part of the acquisition, Alabama Power will assume an existing power sales agreement under which the full output of the generating facility remains committed to a third party through April 2027. Upon expiration of the power sales agreement, Alabama Power expects to recover costs associated with the Lindsay Hill Generating Station acquisition through Rate CNP New Plant, Rate CNP Compliance, Rate ECR, and Rate RSE.

The completion of the acquisition is subject to the satisfaction or waiver of certain conditions, including, among other customary closing conditions, approval by the Alabama PSC and the FERC, as well as the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act. Alabama Power expects to complete the acquisition by the end of the third quarter 2025.

The ultimate outcome of this matter cannot be determined at this time.

Renewable Generation Certificate

Through the issuance of a Renewable Generation Certificate (RGC), Alabama Power is authorized by the Alabama PSC to procure renewable capacity and energy and to market the related energy and environmental attributes to customers and other third parties. On April 4, 2023, Under the original RGC, Alabama PSC approved two new solar PPAs totaling 160 MWs. Upon approval was authorized to procure up to 500 MWs of these PPAs, Alabama Power had procured solar renewable capacity totaling approximately 490 MWs under the RGC's original 500-MW limit.

On June 14, 2023, and energy. In June 2023, the Alabama PSC issued an order approving modifications to Alabama Power's RGC. The modifications authorized Alabama Power to procure an additional 2,400 MWs of renewable capacity and energy by June 14, 2029 and to market the related energy and environmental attributes to customers and other third parties. The modifications also increased the size of allowable renewable projects from 80 MWs to 200 MWs and increased the annual approval limit from 160 MWs to 400 MWs. Through December 31, 2024, Alabama Power has procured solar capacity totaling approximately 498 MWs under the RGC.

Rate RSE

The Alabama PSC has adopted Rate RSE that provides for periodic annual adjustments based upon Alabama Power's projected weighted common equity return (WCER) compared to an allowable range. Rate RSE adjustments are based on forward-looking information for the applicable upcoming calendar year. Rate RSE adjustments for any two-year period, when averaged together, cannot exceed 4.0% and any annual adjustment is limited to 5.0%. When the projected WCER is under the allowed range, there is an adjusting point of 5.98% and eligibility for a performance-based adder of seven basis points, or 0.07%, to the WCER adjusting point if Alabama Power (i) has an "A" credit rating equivalent with at least one of the recognized rating agencies or (ii) is in the top one-third of a designated customer value benchmark survey.

Alabama Power continues to reduce growth in total debt by increasing equity, with corresponding reductions in debt issuances, thereby de-leveraging its capital structure. Alabama Power's goal is to achieve an equity ratio of approximately 55% by the end of 2025. At December 31, 2023 December 31, 2024 and 2022, 2023, Alabama Power's equity ratio was approximately 52.3% 53.9% and 52.2% 52.3%, respectively.

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Generally, during a year without a Rate RSE upward adjustment, if Alabama Power's actual WCER is between 6.15% and 7.65%, customers will receive 25% of the amount between 6.15% and 6.65%, 40% of the amount between 6.65% and 7.15%, and 75% of the amount between 7.15% and 7.65%. Customers will receive all amounts in excess of an actual WCER of 7.65%. During a year with a Rate RSE upward adjustment, if Alabama Power's actual WCER exceeds 6.15%, customers receive 50% of the amount between 6.15% and 6.90% and all amounts in excess of an actual WCER of 6.90%. Alabama Power's ability to retain a portion of the revenue that causes the actual WCER for a given year to exceed the allowed range positions Alabama Power to address the pressure on its credit quality, without increasing retail rates under Rate RSE in the near term. There is no provision for additional customer billings should the actual retail return fall below the WCER range.

Retail rates under Rate RSE did not change for 2022 2023 or 2023. 2024.

For the years ended December 31, 2021 December 31, 2022, 2022, 2023, and 2023, 2024, Alabama Power's WCER exceeded 6.15%, resulting in Alabama Power establishing a current regulatory liability of $181 million $62 million, $62 million $15 million, and $15 million $12 million, respectively, for Rate RSE refunds. In accordance with an Alabama PSC order issued in February 2022, Alabama Power applied $126 million of the 2021 refund to reduce the Rate ECR under recovered balance and the remaining $55 million was refunded to customers through bill credits in July 2022. In accordance with an Alabama PSC order issued on February 7, 2023, 2023, Alabama Power refunded the 2022 amount to customers through bill credits in August 2023. The $15 million regulatory liability at December 31, 2023 was refunded to customers through bill credits in April 2024. The $12 million regulatory liability at December 31, 2024 will be refunded to customers through bill credits in April 2024.

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On December 1, 2023 November 27, 2024, Alabama Power made its required annual Rate RSE submission to the Alabama PSC of projected data for calendar year 2024. Projected earnings were within 2025, resulting in an increase of 4.87%, or $325 million annually, that became effective for the specified range; therefore, retail rates under Rate RSE remain unchanged for 2024. billing month of January 2025.

Excess Accumulated Deferred Income Tax Accounting Order

In December 2022, the Alabama PSC directed Alabama Power to accelerate the amortization of a regulatory liability associated with excess federal accumulated deferred income taxes. Under this order, in 2023, approximately $304 million was returned to customers through bill credits to offset the impact of the rate increase discussed under "Rate CNP Depreciation" herein.

On October 3, 2023, In October 2023, the Alabama PSC issued an order modifying its December 2022 order and authorizing Alabama Power to (i) flow back in 2023 approximately $24 million of certain federal excess accumulated deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017 Reform Legislation and (ii) make available any remaining balance of excess accumulated deferred income taxes at the end of 2023 for the benefit of customers in 2024 and/or 2025. At December 31, 2023, the remaining balance was $81 million, of which approximately $67 million was flowed back in 2024 and $14 million will flow back in 2024 and 2025 respectively, for the benefit of customers.

Rate CNP New Plant

Rate CNP New Plant allows for recovery of Alabama Power's retail costs associated with newly developed or acquired certificated generating facilities placed into retail service. No adjustments to Rate CNP New Plant occurred during the period January 2021 through October 2022.

In July 2022, the Alabama PSC approved a CCN authorizing Alabama Power to complete the acquisition of the Calhoun Generating Station. The transaction closed in September 2022, and, in October 2022, Alabama Power filed Rate CNP New Plant with the Alabama PSC to recover the related costs. The filing reflected an increase in annual revenues of $34 million, or 0.6%, effective with November 2022 billings.

In 2020, the Alabama PSC approved a CCN authorizing Alabama Power to complete the acquisition of the Central Alabama Generating Station, which occurred in August 2020. Through May 2023, Alabama Power recovered substantially all costs associated with the Central Alabama Generating Station through Rate RSE, offset by revenues from a power sales agreement. Beginning in July 2022, fuel costs associated with Central Alabama Generating Station are being recovered through Rate ECR. On March 24, 2023, In March 2023, Alabama Power filed Rate CNP New Plant with the Alabama PSC to recover costs associated with the acquisition of the Central Alabama Generating Station. The filing reflected an annual increase in retail revenues of $78 million, or 1.1%, effective with June 2023 billings. On May 24, 2023, the Central Alabama Generating Station was placed into retail service.

The Alabama PSC's 2020 CCN also authorized Alabama Power to construct an approximately 720-MW combined cycle facility at Alabama Power's Plant Barry (Plant Barry Unit 8) and the recovery of estimated in-service costs. On November 1, 2023, the unit was placed in service. On December 1, 2023, In December 2023, Alabama Power filed Rate CNP New Plant with the Alabama PSC to recover the related costs. The filing reflected an annual increase in retail revenues of $91 million, or 1.4%, effective with January 2024 billings.

Rate CNP PPA

Rate CNP PPA allows for the recovery of Alabama Power's retail costs associated with certificated PPAs. Revenues for Rate CNP PPA, as recorded on the financial statements, are adjusted for differences in actual recoverable costs and amounts billed in current regulated rates. Accordingly, changes in the billing factors will have no significant effect on Southern Company's or Alabama

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Power's revenues or net income but will affect annual cash flow. No adjustments to Rate CNP PPA occurred during the period 2021 2022 through 2023 2024 and no adjustment is expected for 2024. 2025. At December 31, 2023 December 31, 2024 and 2022, 2023, Alabama Power had an under recovered Rate CNP PPA balance of $103 million $84 million and $120 million $103 million, respectively, of which $18 $17 million and $18 million, respectively, is included in other regulatory assets, current and $85 $67 million and $102 $85 million, respectively, is included in other regulatory assets, deferred on the Southern Company's and Alabama Power's balance sheet. sheets.

Rate CNP Compliance

Rate CNP Compliance allows for the recovery of Alabama Power's retail costs associated with laws, regulations, and other such mandates directed at the utility industry involving the environment, security, reliability, safety, sustainability, or similar considerations impacting Alabama Power's facilities or operations. Rate CNP Compliance is based on forward-looking information and provides for the recovery of these costs pursuant to factors that are calculated and submitted to the Alabama PSC by December 1 with rates effective for the following calendar year. Compliance costs to be recovered include operations and maintenance expenses, depreciation, and a return on certain invested capital. Revenues for Rate CNP Compliance, as recorded on the financial statements, are adjusted for differences in actual recoverable costs and amounts billed in current regulated rates. Accordingly, changes in the billing factors will have no significant effect on Southern Company's or Alabama Power's revenues

or net income, but will affect annual cash flow. Changes in Rate CNP Compliance-related operations and maintenance expenses and depreciation generally will have no effect on net income.

In November 2021, December 2022, and December 2023, and November 2024, Alabama Power submitted calculations to the Alabama PSC associated with its cost of complying with governmental mandates for the following calendar year, as provided under Rate CNP Compliance. The 2021 filing reflected a projected under recovered retail revenue requirement of approximately $59 million. In December 2021, the Alabama PSC issued a consent order that Alabama Power leave the 2021 Rate CNP Compliance factors in effect for 2022, with any prior year under collected amount deemed recovered before any current year amounts are recovered and any remaining under recovery reflected in the 2022 filing. The 2022 filing reflected a $255 million, or 3.7%, annual increase effective with January 2023 billings, primarily due to updated depreciation rates. The 2023 filing reflected a $23 million, or 0.3%, annual decrease effective with January 2024 billings. The 2024 filing reflected a projected under recovered retail revenue requirement of $50 million. On December 3, 2024, the Alabama PSC issued a consent order requiring Alabama Power to leave the 2024 Rate CNP Compliance factors in effect for 2025, with any prior year under collected amount deemed recovered before any current year amounts are recovered, and any remaining under recovered amounts reflected in the 2025 filing.

At December 31, 2024, Alabama Power had an under recovered Rate CNP Compliance balance of $35 million which is included in other regulatory assets, deferred on Southern Company's and Alabama Power's balance sheets. At December 31, 2023, Alabama Power had an under recovered Rate CNP Compliance balance of $33 million, of which $8 million is included in other regulatory assets, current and $25 million is included in other regulatory assets, deferred on the balances sheet, compared to an under recovered Southern Company's and Alabama Power's balance at December 31, 2022 of $47 million included in other regulatory assets, current on the balance sheet. sheets.

Rate CNP Depreciation

In December 2022, the Alabama PSC approved Rate CNP Depreciation, which allows Alabama Power to recover changes in depreciation resulting from updates to certain depreciation rates, excluding any depreciation recovered through Rate CNP New Plant, Rate CNP Compliance, or costs associated with the capitalization of asset retirement costs. Rate CNP Depreciation resulted in an annual revenue increase of approximately $318 million, or 4.6%, effective with January 2023 billings. See "Excess Accumulated Deferred Income Tax Accounting Order" herein No adjustments to Rate CNP Depreciation occurred during 2024 and no adjustment is expected for information related to 2023 customer bill credits approved by the Alabama PSC. 2025.

Rate ECR

Rate ECR recovers Alabama Power's retail energy costs based on an estimate of future energy costs and the current over or under recovered balance. Revenues recognized under Rate ECR and recorded on the financial statements are adjusted for the difference in actual recoverable fuel costs and amounts billed in current regulated rates. The difference in the recoverable fuel costs and amounts billed gives rise to the over or under recovered amounts recorded as regulatory assets or liabilities. Alabama Power, along with the Alabama PSC, continually monitors the over or under recovered cost balance to determine whether an adjustment to billing rates is required. Changes in the Rate ECR factor have no significant effect on Southern Company's or Alabama Power's net income but will impact the related operating cash flows. The Alabama PSC may approve billing rates under Rate ECR of up to 5.910 cents per KWH.

The Alabama PSC approved adjustments to Rate ECR from 1.960 cents per KWH to 2.557 cents per KWH, or approximately $310 million annually, effective with August 2022 billings and from 2.557 cents per KWH to 3.510 cents per KWH, or approximately $500 million annually, effective with December 2022 billings. On November 9, 2023, In November 2023, the Alabama PSC approved a decrease to Rate ECR from 3.510 cents per KWH to 3.270 cents per KWH, or approximately $126 million annually, effective with December 2023 billings. On May 7, 2024, the Alabama PSC approved a decrease to Rate ECR from 3.270 cents per KWH to 3.015 cents per KWH, or approximately $135 million annually, effective with July 2024 billings. On December 3, 2024, the Alabama PSC approved an additional reduction to Rate ECR from 3.015 cents per KWH to 2.600 cents per KWH, or

$218 million annually, effective with January 2025 billings. The rate will adjust to 5.910 cents per KWH in January 2025 2026 absent a further order from the Alabama PSC.

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At December 31, 2023 December 31, 2024, Alabama Power's over recovered fuel costs totaled $29 million and 2022, is included in other regulatory liabilities, current on Southern Company's and Alabama Power's balance sheets. At December 31, 2023, Alabama Power's under recovered fuel costs totaled $246 million and $622 million, respectively, of which $246 million and $102 million, respectively, is included in regulatory assets – under recovered retail fuel clause revenues on Southern Company's and $520 million of the December 31, 2022 balance is included in other regulatory assets, deferred on the Alabama Power's balance sheets. These classifications are based on estimates, which include such factors as weather, generation availability, energy demand, and the price of energy. A change in any of these factors could have a significant impact on the timing of any recovery or return of fuel costs.

Software Accounting Order

The Alabama PSC authorizes Alabama Power to establish a regulatory asset for operations and maintenance costs associated with software implementation projects. The regulatory asset is amortized ratably over the life of the related software. At December 31, 2023 and 2022, the regulatory asset balance totaled $59 million and $46 million, respectively, and is included in other regulatory assets, deferred on the balance sheet.

Plant Greene County

Alabama Power jointly owns Plant Greene County Units 1 and 2 with an affiliate, Mississippi Power. See Note 5 under "Joint Ownership Agreements" for additional information. In 2021, the Mississippi PSC concluded its review of Mississippi Power's 2021 2024 IRP

which included includes a schedule to retire Mississippi Power's 40% ownership interest in Plant Greene County Units 1 and 2 in December 2025 by the end of 2028. Alabama Power currently expects to retire Plant Greene County Units 1 and 2026, respectively, consistent with each unit's remaining useful life. 2 (300 MWs based on 60% ownership) by the end of 2028. Alabama Power and Mississippi Power have continued to evaluate operating conditions and business needs relevant to the anticipated retirement of Plant Greene County Units 1 and now expect the units to remain in service beyond the previously indicated dates. The Plant Greene County unit retirements require the completion by Alabama Power of transmission and system reliability improvements, as well as agreement by Alabama Power. 2. The ultimate outcome of this matter cannot be determined at this time. See "Mississippi Power – Integrated Resource Plan" Plans" herein for additional information.

Rate NDR

Based on an order from the Alabama PSC, Alabama Power maintains a reserve for operations and maintenance expenses to cover the cost of damages from major storms to its transmission and distribution facilities. The order approves a separate monthly Rate NDR charge to customers consisting of two components. The first component is intended to establish and maintain a reserve balance for future storms and is an on-going part of customer billing. When the reserve balance falls below $50 million, a reserve establishment charge will be activated (and the on-going reserve maintenance charge concurrently suspended) until the reserve balance reaches $75 million.

The second component of the Rate NDR charge is intended to allow recovery of any existing deferred storm-related operations and maintenance costs and any future reserve deficits over a 48-month period (24-month period prior to modifications approved by the Alabama PSC in July 2022). The Alabama PSC order gives Alabama Power authority to record a deficit balance in the NDR when costs of storm damage exceed any established reserve balance. The maximum total Rate NDR charge was limited to $10.00 per month per non-residential customer account and $5.00 per month per residential customer account through July 12, 2022. Subsequently, modifications approved by the Alabama PSC replaced the maximum total Rate NDR charge with a maximum charge to recover a deficit of $5 $5.00 per month per non-residential customer account and $2.50 per month per residential customer account. Alabama Power has the authority, based on an order from the Alabama PSC, to accrue certain additional amounts as circumstances warrant, which can be used to offset storm charges. Alabama Power made an additional accrual of $65 million $21 million in 2021. 2024.

Alabama Power collected approximately $12 million, $14 million $12 million, and $6 million $14 million in 2024, 2023, 2022, and 2021, 2022, respectively, under Rate NDR. Beginning with August 2022 billings, the reserve establishment charge was suspended and the reserve maintenance charge was activated as a result of the NDR balance exceeding $75 million. Alabama Power expects to collect approximately $12 million annually under Rate NDR unless the NDR balance falls below $50 million. At December 31, 2023 December 31, 2024 and 2022, 2023, the NDR balance was $76 million $70 million and $97 million $76 million, respectively, and is included in other regulatory liabilities, deferred on the Southern Company's and Alabama Power's balance sheets.

As revenue from the Rate NDR charge is recognized, an equal amount of operations and maintenance expenses related to the NDR will also be recognized. As a result, the Rate NDR charge will not have an effect on net income but will impact operating cash flows.

Reliability Reserve Accounting Order

In July 2022, the Alabama PSC approved an accounting order authorizing Alabama Power to create a reliability reserve separate from the NDR and transition the previous Rate NDR authority related to reliability expenditures to the reliability reserve. Alabama Power may make accruals to the reliability reserve if the NDR balance exceeds $35 million. At December 31, 2023 and 2022, Alabama Power accrued $52 million and $166 million, respectively, to the reserve.

On July 11, 2023, In July 2023, the Alabama PSC issued an order authorizing Alabama Power to expand the existing authority of its reliability reserve to include certain production-related expenses that are intended to maintain reliability in between scheduled generating unit maintenance outages.

On August 18, 2023 At December 31, 2022, Alabama Power accrued $166 million to the reserve. In August 2023 and on September 18, 2024, Alabama Power notified the Alabama PSC of its intent to use a portion of its reliability reserve balance in 2023. During 2023 and 2024, respectively. As a result, Alabama Power had usage of the reliability reserve in the amount of $23 million and $12 million during

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the fourth quarter 2023 Alabama Power used $75 million of the reliability reserve and 2024, respectively, for reliability-related transmission, distribution, and generation expenses and nuclear production-related expenses.

At December 31, 2023 December 31, 2024 and 2022, 2023, Alabama Power's reliability reserve balance was $143 $131 million and $166 $143 million, respectively, and is included in other regulatory liabilities, deferred on the Southern Company's and Alabama Power's balance sheets.

Environmental Accounting Order

Based on an order from the Alabama PSC, (Environmental Accounting Order), Alabama Power is authorized to establish a regulatory asset to record the unrecovered investment costs, including the unrecovered plant asset balance and the unrecovered costs associated with site removal and closure associated with future unit retirements, caused by environmental regulations. The

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regulatory asset is amortized and recovered over the affected unit's remaining useful life, as established prior to the decision regarding early retirement, through Rate CNP Compliance.

With the completion of the Calhoun Generating Station acquisition, Alabama Power expected to retire Plant Barry Unit 5 in late 2023 or early 2024, subject to certain operating conditions. In September 2022, Alabama Power reclassified approximately $600 million for Plant Barry Unit 5 from plant in service, net of depreciation to other utility plant, net and will continue to depreciate the asset according to the original depreciation rates. Alabama Power has continued to evaluate operating conditions relevant to the expected retirement of Plant Barry Unit 5 and now expects to retire the unit on or before December 31, 2028. At retirement, Alabama Power will reclassify the remaining net investment costs of the unit to a regulatory asset to be recovered over the unit's remaining useful life, as established prior to the decision to retire, through Rate CNP Compliance. See "Rate CNP New Plant" herein for additional information.

In December 2022, in conjunction with Alabama Power's compliance plan for the EPA's final steam electric ELG reconsideration rule, Plant Barry Unit 4 ceased using coal and began operating solely on natural gas. As a result, approximately $42 million of plant in service, net of depreciation was reclassified to a regulatory asset to be recovered through Rate CNP Compliance through 2034, the unit's remaining useful life.

Georgia Power

Georgia Power's revenues from regulated retail operations are collected through various rate mechanisms subject to the oversight of the Georgia PSC. Georgia Power recovers its costs from the regulated retail business through traditional base tariffs, Demand-Side Management (DSM) tariffs, the ECCR tariff, and Municipal Franchise Fee (MFF) tariffs. These tariffs were set under the 2019 ARP for the years 2020 through 2022 and under the 2022 ARP for the years 2023 through 2025 as described herein. In addition, fuel costs are collected through a separate fuel cost recovery tariff.

See "Nuclear Construction– Regulatory Matters" herein for information regarding the approved recovery through retail base rates of certain costs related to Plant Vogtle Unit 3 and the common facilities shared between Plant Vogtle Units 3 and 4 (Common Facilities) that became effective August 1, 2023 based on the in-service date of July 31, 2023 for Unit 3, as well as the base rate adjustments for the remaining costs related to Plant Vogtle Units 3 and 4 that will occur became effective May 1, 2024 based on the first day in-service date of the month after April 29, 2024 for Unit 4 achieves commercial operation. 4. Financing costs on certified construction costs of Plant Vogtle Units 3 and 4 that are not included in rate base are being were collected through Georgia Power's NCCR tariff. tariff until the inclusion of certified construction costs in rate base. When the base rate adjustments occur occurred following commercial operation of Unit 4, the NCCR tariff will cease ceased to be collected and financing costs will be are now included in Georgia Power's general retail revenue requirements. See "Nuclear Construction" herein for additional information on Plant Vogtle Units 3 and 4.

Rate Plans

2022 ARP

In December 2022, the Georgia PSC voted to approve the 2022 ARP, under which Georgia Power increased its rates on January 1, 2023. On November 16, 2023 In November 2023 and on December 17, 2024, the Georgia PSC approved tariff adjustments effective January 1, 2024. and 2025, respectively. Details of tariff adjustments are provided in the following table:

Tariff	Tariff	2023	2024	2025
Tariff				
Tariff				
		(in millions)		
		(in millions)		
		(in millions)		*(in millions)*
Traditional base (a)				
ECCR				
ECCR				
ECCR				
DSM				

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DSM	
DSM	
MFF	
MFF	
MFF	
Total (b)	
Total (b)	
Total (b)	

Under the 2022 ARP, Georgia Power will adjust traditional base, ECCR, DSM, and MFF rates effective January 1, 2025, with the incremental revenue requirements(a) For 2025, net of $122 million related to DSM tariffs and CCR AROs subject the Georgia state tax rate reduction.

(b) Totals may not add due to updates through annual compliance filings rounding.

COMBINED NOTES TO FINANCIAL STATEMENTS

In the 2022 ARP, the Georgia PSC approved recovery through the ECCR tariff of estimated CCR ARO compliance costs for 2023, 2024, and 2025 over four-year periods beginning January 1 of each respective year, with recovery of construction contingency beginning in the year following actual expenditures, resulting in $60 $20 million and $20 $60 million reductions in the related amortization expense for 2023 and 2024, respectively, and 2023, respectively. an increase of $123 million in the related amortization for 2025. Compliance costs incurred were $300 million and $265 million in 2023 and 2024, respectively, and are expected to be $305 million and $330 million in 2024 and 2025, respectively. 2025. The CCR ARO costs are expected to be revised for actual expenditures and updated estimates through future annual compliance filings.

COMBINED NOTES TO FINANCIAL STATEMENTS

Further, under the 2022 ARP, Georgia Power's retail ROE is set at 10.50% and its equity ratio is set at 56%. Earnings will be evaluated against a retail ROE range of 9.50% to 11.90%. Any retail earnings above 11.90% will be shared, with 40% being applied to reduce regulatory assets, 40% directly refunded to customers, and the remaining 20% retained by Georgia Power. There will be no recovery of any earnings shortfall below 9.50% on an actual basis. However, if at any time during the term of the 2022 ARP, Georgia Power projects that its retail earnings will be below 9.50% for any calendar year, it may petition the Georgia PSC for implementation of the Interim Cost Recovery (ICR) tariff to adjust Georgia Power's retail rates to achieve a 9.50% ROE. The Georgia PSC would have 90 days to rule on Georgia Power's request. The ICR tariff would expire at the earlier of January 1, 2026 or the end of the calendar year in which the ICR tariff becomes effective. In lieu of requesting implementation of an ICR tariff, or if the Georgia PSC chooses not to implement the ICR tariff, Georgia Power may file a full rate case. In 2023 and 2024, Georgia Power's retail ROE was within the allowed retail ROE range.

Except as provided above, Georgia Power will not file for a general base rate increase while the 2022 ARP is in effect. Georgia Power is required to file a general base rate case by July 1, 2025, in response to which the Georgia PSC would be expected to determine whether the 2022 ARP should be continued, modified, or discontinued.

2019 ARP

The Georgia PSC approved the following tariff adjustments under the 2019 ARP effective January 1 2022:

Tariff	**2022**
	(in millions)
Traditional base	$ 192
ECCR	(12)
DSM	(25)
MFF	2
Total	$ 157

In the 2019 ARP, the Georgia PSC approved recovery through the ECCR tariff of the estimated under recovered balance of CCR ARO compliance costs. Under the 2019 ARP, the under recovered balance at December 31, 2019 and compliance costs for 2020 were recovered over the three-year period ended December 31, 2022. Recovery of estimated compliance costs for 2021 and 2022 are being recovered over four-year periods beginning January 1 of each respective year, as authorized under the 2019 ARP and modified under the 2022 ARP, with recovery of construction contingency beginning in the year following actual expenditure. The CCR ARO costs recovered through the ECCR tariff are revised for actual expenditures and updated estimates through annual compliance filings, which resulted in an approximate $10 million increase effective January 1, 2022 in the related cost recovery.

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Georgia Power's retail ROE under the 2019 ARP was set at 10.50% and earnings were evaluated against a retail ROE range of 9.50% to 12.00%. Any retail earnings above 12.00% were shared, with 40% applied to reduce regulatory assets, 40% directly refunded to customers, and the remaining 20% retained by Georgia Power. In 2020, Georgia Power's retail ROE was within the allowed retail ROE range. In 2021, Georgia Power's retail ROE exceeded 12.00%, and Georgia Power reduced regulatory assets by approximately $5 million and accrued approximately $5 million which was refunded to customers in 2022. In 2022, Georgia Power's retail ROE exceeded 12.00%, and Georgia Power reduced regulatory assets by $117 million and refunded $117 million to customers through bill credits in the first quarter 2023.

Integrated Resource Plans

2022 IRP

In July 2022, the Georgia PSC approved Georgia Power's 2022 IRP, as modified by a stipulated agreement stipulation among Georgia Power, the staff of the Georgia PSC, and certain intervenors and as further modified by the Georgia PSC.

In the 2022 IRP decision, the Georgia PSC approved, among other things, the certification of six PPAs (including five affiliate PPAs with Southern Power that are subject to approval by the FERC) with capacities of 1,567 MWs beginning in 2024, 380 MWs beginning in 2025, and 228 MWs beginning in 2028, procured through RFPs a capacity request for proposals (RFP) authorized in the 2019 IRP. On June 27, 2024, the FERC approved the five affiliate PPAs with Southern Power. See Note 9 for additional information.

On October 27, 2023, In the third quarter 2024, Georgia Power filed entered into an updated IRP (2023 IRP Update) agreement for engineering, procurement, and construction of a 265-MW battery energy storage facility, which is projected to be placed in service in 2026, as authorized in the 2022 IRP. Georgia Power is required to file quarterly construction monitoring reports with the Georgia PSC through commercial operation. The ultimate outcome of this matter cannot be determined at this time.

As included in the 2022 IRP final order, Georgia Power initiated an RFP of up to 8,500 MWs of capacity from a variety of resources with expected CODs or delivery commencement dates between 2028 and 2030. The RFP included Georgia Power-owned proposals. In conjunction with those proposals, Georgia Power entered into agreements for engineering, procurement, and construction through January 2025. Winning participants are expected to be notified in June 2025, and the Georgia PSC is anticipated to render a decision related to the certification of the winning submissions in the fourth quarter 2025. Depending on the outcomes of the RFP and certification processes, Georgia Power could spend up to $14 billion, excluding AFUDC, on approved Georgia Power-owned proposals and related transmission investments through 2029. The ultimate outcome of this matter cannot be determined at this time.

2023 IRP Update

On April 16, 2024, the Georgia PSC approved Georgia Power's updated IRP as modified by a stipulation among Georgia Power, the staff of the Georgia PSC, and certain intervenors (2023 IRP Update), which sets set forth a plan to support the recent increase in

the state of Georgia's economic development and Georgia Power's projected energy needs since the 2022 IRP. In the 2023 IRP Update decision, the Georgia Power requested PSC approved the following: following requests:

- Authority to develop, own, and operate up to 1,400 MWs from three simple cycle combustion turbines at Plant Yates. Yates with the recoverable costs not to exceed the certified amount, which was approved by the Georgia PSC on August 20, 2024. With this approval, the Georgia PSC recognized the potential for circumstances beyond Georgia Power's control that could cause the project costs to exceed the certified amount, in which case Georgia Power would provide documentation to the Georgia PSC to explain and justify potential recovery of additional reasonable and prudent costs. Georgia Power is required to file semi-annual construction monitoring reports with the Georgia PSC through commercial operation, the first of which was filed on February 14, 2025.
- Certification of an affiliate PPA with Mississippi Power for 750 MWs, which began January 1, 2024 and will continue through December 2028.
- Certification of a non-affiliate PPA for 230 MWs, which began May 1, 2024 and will continue through December 2028.
- Authority to develop, own, and operate up to 500 MWs of battery energy storage facilities, including storage systems co-located with existing Georgia Power-owned solar facilities with the recoverable costs not to exceed the certified amount, as approved by the Georgia PSC on December 3, 2024, as well as the issuance of an expedited RFP for an additional 500 MWs of battery energy storage facilities. Georgia Power is required to file quarterly construction monitoring reports for Georgia Power-owned resources with the Georgia PSC through commercial operation.
- Approval of transmission projects necessary to support the generation resources approved in the 2023 IRP Update.

The 2023 IRP Update assumed a retirement date at the end of 2035 for Plant Bowen Units 1 and 2 (1,400 MWs). See "2025 IRP" herein for additional information.

On January 12, 2024, Georgia Power entered into an agreement for engineering, procurement, and construction to construct three 442-MW simple cycle combustion turbine units at Plant Yates (Plant Yates Units 8, 9, and 10), which are projected to be placed in service in the fourth quarter 2026, the second quarter 2027, and the third quarter 2027, respectively.

In the third quarter 2024, Georgia Power entered into agreements for engineering, procurement, and construction of four battery energy storage facilities totaling 500 MWs, which are projected to be placed in service in 2026.

At December 31, 2024, Georgia Power had recorded approximately $760 million of combined capital costs, excluding AFUDC, for the 265-MW battery energy storage facility approved in the 2022 IRP, the 500 MWs of battery energy storage facilities approved in the 2023 IRP Update, and the 1,400 MWs from three simple cycle combustion turbines at Plant Yates approved in the 2023 IRP Update. The total certified amounts related to these projects are approximately $2.8 billion, excluding AFUDC.

The ultimate outcome of these matters cannot be determined at this time.

2025 IRP

On January 31, 2025, Georgia Power filed its triennial IRP (2025 IRP). The filing includes a request to extend the operation of Plant Scherer Unit 3 (614 MWs based on 75% ownership) through at least December 31, 2035 and Plant Gaston Units 1 through 4 (500 MWs based on 50% ownership through SEGCO) through at least December 31, 2034. See

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Note 7 under "SEGCO" for additional information.

As in the 2023 IRP Update, Plant Bowen Units 1 and 2 are also assumed to operate through at least the end of 2035.

In addition, the 2025 IRP includes, among other things, requests for approval of the following:

- Pursuit of installation of environmental controls and natural gas co-firing at Plant Bowen Units 1 through 4 (3,160 MWs), Plant Scherer Units 1 and 2 (137 MWs based on 8.4% ownership), and Plant Scherer Unit 3 for compliance with both ELG supplemental rules and GHG rules.
- Upgrades to Plant McIntosh Units 10 and 11 (1,319 MWs) for a projected 194 MWs of incremental capacity by 2028 and Plant McIntosh Units 1 through 8 (640 MWs) for a projected 74 MWs of incremental capacity by 2033.
- Upgrades to Plant Hatch Units 1 and 2 (900 MWs based on 50.1% ownership) and Plant Vogtle Units 1 and 2 (1,060 MWs based on 45.7% ownership) for a projected 112 MWs of incremental capacity, some of which would be available as early as 2028.
- Investments related to the continued reliable hydro operations of nine facilities, as well as the authority to develop, own, and operate a projected incremental 16 MWs from Plant Goat Rock Units 3 through 6.
- RFPs for at least 1,100 MWs of utility scale and distributed generation renewable resources. Georgia Power is seeking to add up to 4,000 MWs of incremental renewable resources by 2035.
- Issuance of a capacity RFP to procure resources to meet capacity needs in 2032 and 2033.

- Certification of a non-affiliate PPA for 230 MWs starting Strategic power delivery infrastructure plan necessary to help ensure adequate reliability and serve the month after conclusion of the 2023 IRP Update proceeding continuing through December 2028. projected future load growth expected in Georgia.
- Authority to develop, own, and operate up to 1,000 Certification of approximately 187 MWs of battery energy storage system facilities, including storage systems collocated wholesale capacity associated with existing and new Georgia Power-owned solar facilities.
- Approval of transmission projects necessary to support the generation resources requested in the 2023 IRP Update.

The 2023 IRP Update assumes a retirement date at the end of 2035 for Plant Bowen Units 1 and 2 (1,400 MWs). Georgia Power expects to make a formal recommendation in the 2025 IRP on the retirement or continued operations for Plant Bowen Units 1 and 2, as well as evaluate extending the operation of Plant Scherer Unit 3 (614 MWs based on 75% ownership) and Plant Gaston Units 1 through 4 (500 MWs based on 50% ownership through SEGCO) beyond the retirement dates in 2028 that were approved in the 2022 IRP. See Note 7 under "SEGCO" for additional information.

Georgia Power expects the Georgia PSC to render a final decision on the 2023 IRP Update on April 16, 2024.

On January 12, 2024, Georgia Power entered into an Agreement for Engineering, Procurement, and Construction with Mitsubishi Power Americas, Inc. and Black & Veatch Construction, Inc. to construct three 442-MW simple cycle combustion turbine units at Plant Yates (Plant Yates Units 8, 9, and 10), which are expected to be placed in service retail rate base, some of which is projected to be available in 2026.

A decision from the fourth quarter 2026, Georgia PSC on the second quarter 2027, and the third quarter 2027, respectively.

2025 IRP is expected in July 2025. The ultimate outcome of these matters cannot be determined at this time.

In August 2022, Restore Chattooga Gorge Coalition (RCG) filed Transmission Asset Sales

On March 7, 2024, the FERC approved the sale of transmission line assets under the integrated transmission system agreement, with a petition net book value of $236 million. On April 24, 2024, the sale, with a purchase price of $351 million, was completed resulting in a pre-tax gain of approximately $114 million ($84 million after tax) recorded in the Superior Court of Fulton County, Georgia against Georgia Power and the Georgia PSC. The petition challenged Georgia Power's plan to expend $115 million to modernize Plant Tugalo (a hydro facility), as approved in the 2019 IRP, and sought judicial review of the Georgia PSC's order in the 2022 IRP proceeding with respect to the denial of RCG's challenge to the modernization plan. On October 23, 2023, the court granted Georgia Power's and the Georgia PSC's motions to dismiss the RCG petition. This matter is now concluded. second quarter 2024.

Fuel Cost Recovery

Georgia Power has established fuel cost recovery rates approved by the Georgia PSC. During the second half of 2021, the price of natural gas rose significantly and resulted in an under recovered fuel balance exceeding $200 million. Therefore, in November 2021, the Georgia PSC voted to approve Georgia Power's interim fuel rider, which increased fuel rates by 15%, or approximately $252 million annually, effective January 1, 2022.

During 2022, Georgia Power's under recovered fuel balance continued to increase increased significantly due to higher fuel and purchased power costs. On May 16, 2023, In May 2023, the Georgia PSC approved a stipulation agreement between Georgia Power and the staff of the Georgia PSC to increase annual fuel billings by 54%, or approximately $1.1 billion,effective June 1, 2023. The increase includes a three-year recovery period for $2.2 billion of Georgia Power's under recovered fuel balance at May 31, 2023. Under the approved stipulation, agreement, Georgia Power is allowed to adjust its fuel cost recovery rates under an interim fuel rider prior to the next fuel case, subject to a maximum 40% cumulative change, if its under or over recovered fuel balance accumulated since May 31, 2023 exceeds $200 million. Georgia Power is scheduled to file its next fuel case no later than February 28, 2026.

Georgia Power's under recovered fuel balance totaled $1.9 billion $1.2 billion at December 31, 2023 December 31, 2024, of which $694 million $713 million is included in under recovered fuel clause revenues and under recovered retail fuel clause revenues on Southern Company's and Georgia Power's balance sheets, respectively, and $1.2 billion $453 million is included in deferred under recovered retail fuel clause revenues on Southern Company's and Georgia Power's balance sheets. The under recovered fuel balance totaled $2.1 billion $1.9 billion at December 31, 2022 December 31, 2023, of which $694 million is included in under recovered fuel clause revenues and under recovered retail fuel clause

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revenues on Southern Company's and Georgia Power's balance sheets, respectively, and $1.2 billion is included in deferred under recovered retail fuel clause revenues on Southern Company's and Georgia Power's balance sheets.

Georgia Power's fuel cost recovery mechanism includes costs associated with a natural gas hedging program, as revised and approved by the Georgia PSC, allowing the use of an array of derivative instruments within a 36-month time horizon.

Fuel cost recovery revenues as recorded on the financial statements are adjusted for differences in actual recoverable fuel costs and amounts billed in current regulated rates. Accordingly, changes in the billing factor will not have a significant effect on Southern Company's or Georgia Power's revenues or net income but will affect operating cash flows.

Storm Damage Recovery

Georgia Power defers and recovers certain costs related to damages from major storms as mandated by the Georgia PSC. During 2021 and 2022, Georgia Power recovered $213 million annually under the 2019 ARP. Beginning January 1, 2023, Georgia Power is recovering $31 million annually under the 2022 ARP. At December 31, 2022, Georgia Power's storm damage reserve balance was $83 million and is included in other regulatory liabilities, deferred on Southern Company's balance sheet and other deferred credits and liabilities on Georgia Power's balance sheet. During 2023, significant storms caused damage to Georgia Power's

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transmission and distribution facilities. The incremental restoration costs related to these storms exceeded the storm damage reserve and were deferred in the regulatory asset for storm damage. At December 31, 2023, Georgia Power's regulatory asset balance related to storm damage was $54 million, of which $31 million is included in other regulatory assets, current and $23 million is included in other regulatory assets, deferred on Southern Company's and Georgia Power's balance sheets. During September 2024, Hurricane Helene caused significant damage to Georgia Power's transmission and distribution facilities. The incremental restoration costs related to this hurricane totaled approximately $870 million, of which approximately $750 million was deferred in the regulatory asset for storm damage, approximately $90 million was capitalized to property, plant, and equipment, and approximately $30 million was deferred to be billed in 2025 to open access transmission tariff customers. At December 31, 2024, Georgia Power's regulatory asset balance related to storm damage was $827 million, of which $31 million is included in other regulatory assets, current and $795 million is included in other regulatory assets, deferred on Southern Company's and Georgia Power's balance sheets. The rate of storm damage cost recovery is expected to be adjusted in future regulatory proceedings as necessary. As a result of this regulatory treatment, costs related to storms are not expected to have a material impact on Southern Company's or Georgia Power's net income but do impact the related operating cash flows. See Note 1 under "Storm Damage and Reliability Reserves" for additional information.

Nuclear Construction

In 2009, the Georgia PSC certified construction of Plant Vogtle Units 3 and 4, in which Georgia Power holds a 45.7% ownership interest. In 2012, the NRC issued the related combined construction and operating licenses, which allowed full construction of the two AP1000 nuclear units (with electric generating capacity of approximately 1,100 MWs each) and related facilities to begin. Until March 2017, construction on Plant Vogtle Units 3 and 4 continued under the Vogtle 3 and 4 Agreement, which was a substantially fixed price agreement.

In connection with the EPC Contractor's bankruptcy filing in March 2017, Georgia Power, acting for itself and as agent for the other Vogtle Owners, entered into several transitional arrangements to allow construction to continue. In July 2017, Georgia Power, acting for itself and as agent for the other Vogtle Owners, entered into the Vogtle Services Agreement, whereby Westinghouse provides facility design and engineering services, procurement and technical support, and staff augmentation on a time and materials cost basis. The Vogtle Services Agreement provides that it will continue until the start-up and testing of Plant Vogtle Units 3 and 4 are complete and electricity is generated and sold from both units.

In October 2017, Georgia Power, acting for itself and as agent for the other Vogtle Owners, executed the Bechtel Agreement, under which Bechtel is reimbursed for actual costs plus a base fee and an at-risk fee, subject to adjustment based on Bechtel's performance against cost and schedule targets. Each Vogtle Owner is severally (not jointly) liable for its proportionate share, based on its ownership interest, of all amounts owed to Bechtel under the Bechtel Agreement.

See Note 8 under "Long-term Debt – DOE Loan Guarantee Borrowings" for information on the Amended and Restated Loan Guarantee Agreement, including applicable covenants, events of default, and mandatory prepayment events.

Cost and Schedule

Georgia Power's approximate proportionate share of Power placed Unit 3 and Unit 4 in service on July 31, 2023 and April 29, 2024, respectively. During the second quarter 2024, following Unit 4's in-service date, Southern Nuclear evaluated the remaining estimated expected site demobilization costs and other contractor obligations and reduced the remaining estimate to complete forecast by approximately $21 million, including the impact of joint owner cost-sharing described below. Accordingly, Georgia Power recorded a pre-tax credit to income of approximately $21 million ($16 million after tax), including the joint owner impacts described below, in the second quarter 2024 to recognize forecasted capital cost costs previously charged to complete income.

Georgia Power's net capital costs incurred through December 31, 2024 in connection with Plant Vogtle Units 3 and 4, and its approximate proportionate share of additional capital costs to be incurred after December 31, 2024, including contingency, through the second quarter 2024 completion of site demobilization and remaining contractor obligations, is as follows:

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			(in millions)
$	10,717		
	36		
Total project capital cost forecast(a)(b)	10,753	$	10,732
Net investment at December 31, 2023 December 31, 2024(b)			(10,564) (10,663)
Remaining estimate to complete		**$**	**189 69**

(a) Includes approximately $610 million $1.2 billion of costs that are not shared with the other Vogtle Owners, including $33 million of construction monitoring costs, and approximately $567 million of incremental costs under the cost-sharing provisions of the joint ownership agreements described below. Owners. Excludes financing costs expected to be capitalized through AFUDC of approximately $440 million, of which $417 million had been accrued through December 31, 2023. Unit 4's in-service date.

(b) Net of $1.7 billion received from Toshiba under the Guarantee Settlement Agreement and approximately $188 million in related customer refunds.

Georgia Power estimates that its Power's financing costs for construction of Plant Vogtle Units 3 and 4 will total totaled approximately $3.53 billion, of which $3.50 billion $3.08 billion had been incurred recovered through December 31, 2023. Unit 4's in-service date.

Georgia Power placed Unit 3 in service on July 31, 2023. As part of its ongoing processes, Southern Nuclear continues to evaluate cost and schedule forecasts for Unit 4 on a regular basis to incorporate current information available, particularly in the areas of start-up testing and related test results and engineering support. As of December 31, 2023, based on completion of construction work and the assessment of start-up and pre-operational testing remaining, Southern Nuclear has an estimated $36 million for construction contingency remaining in the estimate to complete. This contingency is projected to be allocated in the future to address any further Unit 4 schedule extensions or remediation of other issues discovered during start-up testing.

Hot functional testing for Unit 4 was completed on May 1, 2023. On July 20, 2023, Southern Nuclear announced that all Unit 4 ITAACs had been submitted to the NRC, and, on July 28, 2023, the NRC published its 103(g) finding that the accepted criteria in the combined license for Unit 4 had been met, which allowed nuclear fuel to be loaded and start-up testing to begin. Fuel load for

Unit 4 was completed on August 19, 2023. On October 6, 2023, Georgia Power announced that during start-up and pre-operational testing for Unit 4, Southern Nuclear identified a motor fault in one of four reactor coolant pumps (RCPs). This RCP was replaced with an on-site spare RCP from inventory.

On February 1, 2024, Georgia Power announced that during start-up and pre-operational testing for Unit 4, Southern Nuclear identified, and has remediated, vibrations associated with certain piping within the cooling system. Considering the remaining pre-operational testing, Unit 4 is projected to be placed in service during the second quarter 2024. On February 14, 2024, Unit 4 achieved self-sustaining nuclear fission, commonly referred to as initial criticality.

With Unit 3's four RCPs operating as designed, Southern Nuclear believes that the motor fault on this single Unit 4 RCP is an isolated event. However, any findings related to the root cause of the motor fault on the single Unit 4 RCP could require engineering changes or remediation related to the other seven Unit 3 and Unit 4 RCPs. The projected schedule for Unit 4 significantly depends on the progression of start-up and pre-operational testing, which may be impacted by equipment or other operational failures. As Unit 4 progresses further through testing, ongoing and potential future challenges may also include the management of contractors and vendors; the availability of materials and parts, and/or related cost escalation; the availability of supervisory and technical support resources; and the timeframe and duration of pre-operational testing. New challenges also may continue to arise as Unit 4 moves further into testing and start-up, which may result in required engineering changes or remediation related to plant systems, structures, or components (some of which are based on new technology that only within the last several years began initial operation in the global nuclear industry at this scale). These challenges may result in further schedule delays and/or cost increases.

With the receipt of the NRC's 103(g) findings for Units 3 and 4 in August 2022 and July 2023, respectively, the site is subject to the NRC's operating reactor oversight process and must meet applicable technical and operational requirements contained in its operating license. Various design and other licensing-based compliance matters may result in additional license amendment requests or require other resolution. If any license amendment requests or other licensing-based compliance issues are not resolved in a timely manner, there may be delays in the Unit 4 project schedule that could result in increased costs.

The ultimate outcome of these matters cannot be determined at this time. However, any extension of the in-service date beyond June 2024 for Unit 4, including the joint owner cost sharing impacts described below, is estimated to result in additional base capital costs for Georgia Power of up to $25 million per month as well as any additional related construction, support resources, or testing costs. Pursuant to the regulatory orders discussed below, any further changes to the capital cost forecast will not be recoverable through regulated rates and will be required to be charged or credited to income. Such charges could or credits are not expected to be material.

Joint Owner Contracts

In November 2017, the Vogtle Owners entered into an amendment to their joint ownership agreements for Plant Vogtle Units 3 and 4 to provide for, among other conditions, additional Vogtle Owner approval requirements. Effective in August 2018, the Vogtle Owners further amended the joint ownership agreements to clarify and provide procedures for certain provisions of the joint ownership agreements related to adverse events that require the vote of the holders of at least 90% of the ownership interests in Plant Vogtle Units 3 and 4 to continue construction (as amended, and together with the November 2017 amendment, the Vogtle Joint Ownership Agreements). The Vogtle Joint Ownership Agreements also confirm that the Vogtle Owners' sole recourse against Georgia Power or Southern Nuclear for any action or inaction in connection with their performance as agent for the Vogtle Owners is limited to removal of Georgia Power and/or Southern Nuclear as agent, except in cases of willful misconduct.

Amendments to the Vogtle Joint Ownership Agreements

In connection with a September 2018 vote by the Vogtle Owners to continue construction, Georgia Power entered into (i) a binding term sheet (Vogtle Owner Term Sheet) with the other Vogtle Owners and MEAG Power's wholly-owned subsidiaries MEAG Power SPVJ, LLC (MEAG SPVJ), MEAG Power SPVM, LLC (MEAG SPVM), and MEAG Power SPVP,

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LLC (MEAG SPVP) to take certain actions which partially mitigate potential financial exposure for the other Vogtle Owners, including additional amendments to the Vogtle Joint Ownership Agreements and the purchase of PTCs from the other Vogtle Owners at pre-established prices, and (ii) a term sheet (MEAG Term Sheet) previously reached agreements with MEAG Power, OPC, and MEAG SPVJ to provide up to $300 million of funding with respect to MEAG SPVJ's ownership interest in Plant Vogtle Units 3 and 4 under certain circumstances. In January 2019, Georgia Power, MEAG Power, and MEAG SPVJ entered into an agreement to implement the provisions of the MEAG Term Sheet. In February 2019, Georgia Power, the other Vogtle Owners, and MEAG Power's wholly-owned subsidiaries MEAG SPVJ, MEAG SPVM, and MEAG SPVP entered into certain amendments to the Vogtle Joint Ownership Agreements to implement the provisions of the Vogtle Owner Term Sheet (Global Amendments).

Pursuant to the Global Amendments: (i) each Vogtle Owner paid its proportionate share of qualifying construction costs for Plant Vogtle Units 3 and 4 based on its ownership percentage up to the estimated cost at completion (EAC) for Plant Vogtle Units 3 and 4, of which Georgia Power's share is $8.4 billion (VCM 19 Forecast Amount), plus $800 million; (ii) Georgia Power was

COMBINED NOTES TO FINANCIAL STATEMENTS

responsible for 55.7% of actual qualifying construction costs between $800 million and $1.6 billion over the VCM 19 Forecast Amount (resulting in $80 million of potential additional costs to Georgia Power), with the remaining Vogtle Owners responsible for 44.3% of such costs pro rata in accordance with their respective ownership interests; and (iii) Georgia Power was responsible for 65.7% of qualifying construction costs between $1.6 billion and $2.1 billion over the VCM 19 Forecast Amount (resulting in a further $100 million of potential additional costs to Georgia Power), with the remaining Vogtle Owners responsible for 34.3% of such costs pro rata in accordance with their respective ownership interests. The Global Amendments provide that if the EAC was revised and exceeded the VCM 19 Forecast Amount by more than $2.1 billion, each of the other Vogtle Owners had a one-time option at the time the project budget cost forecast was so revised to tender a portion of its ownership interest to Georgia Power in exchange for Georgia Power's agreement to pay 100% of such Vogtle Owner's remaining share of total construction costs in excess of the VCM 19 Forecast Amount plus $2.1 billion.

In addition, pursuant to the Global Amendments, the holders of at least 90% of the ownership interests in Plant Vogtle Units 3 and 4 must vote to continue construction if certain adverse events (Project Adverse Events) occur, including, among other events: (i) the bankruptcy of Toshiba; (ii) the termination or rejection in bankruptcy of certain agreements, including the Vogtle Services Agreement, the Bechtel Agreement, or the agency agreement with Southern Nuclear; (iii) Georgia Power's public announcement of its intention not to submit for rate recovery any portion of its investment in Plant Vogtle Units 3 and 4 or the Georgia PSC determines that any of Georgia Power's costs relating to the construction of Plant Vogtle Units 3 and 4 will not be recovered in retail rates, excluding any additional amounts paid by Georgia Power on behalf of the other Vogtle Owners pursuant to the Global Amendments described above and the first 6% of costs during any six-month VCM reporting period that are disallowed by the Georgia PSC for recovery, or for which Georgia Power elects not to seek cost recovery, through retail rates; and (iv) an incremental extension of one year or more from the seventeenth VCM report estimated in-service dates of November 2021 and November 2022 for Units 3 and 4, respectively. The schedule extension announced in February 2022 triggered the requirement for a vote to continue construction and all the Vogtle Owners voted to continue construction. The filing of Georgia Power's prudency application with the Georgia PSC, which included Georgia Power's public announcement of its intention not to submit for rate recovery an amount that is greater than the first 6% of costs during any six-month VCM reporting period, triggered the requirement for a vote to continue construction and all the Vogtle Owners voted to continue construction. See additional information on Georgia Power's prudency application filing below.

In September 2022, Georgia Power and MEAG Power reached an agreement Dalton to resolve a its respective dispute with each regarding the cost-sharing and tender provisions of the Global Amendments. joint ownership agreements, as amended (Vogtle Joint Ownership Agreements). Under the terms of the agreement, these agreements, among other items, (i) MEAG Power will not exercise its tender option and will retain its full ownership interest in Plant Vogtle Units 3 and 4; (ii) Georgia Power will reimburse a portion of MEAG Power's, OPC's, and Dalton's costs of construction for Plant Vogtle Units 3 and 4 as such costs are incurred and with no further adjustment for force majeure costs, which payments (including amounts paid to date) will total approximately $92 $91 million, $99 million, and $5.3 million for MEAG Power, OPC, and Dalton, respectively, based on the current project capital cost forecast; and (iii) forecast. Georgia Power will also reimburse 20% of MEAG Power's costs of construction and 66% of each of OPC's and Dalton's costs of construction with respect to any amounts over the current project capital cost forecast, with no further adjustment for force majeure costs. In addition, MEAG Power agreed to vote to continue construction upon occurrence of a Project Adverse Event unless the commercial operation date of either of Plant Vogtle Unit 3 or Unit 4 is not projected to occur by December 31, 2025.

On October 5, 2023 and October 17, 2023, Georgia Power reached agreements with OPC and Dalton, respectively, to resolve its respective dispute with each of OPC and Dalton regarding the cost-sharing and tender provisions of the Global Amendments. Under the terms of the agreements with OPC and Dalton, among other items, (i) each of OPC and Dalton retracted its exercise of the tender option and will retain its full ownership interest in Plant Vogtle Units 3 and 4, (ii) Georgia Power made payments immediately after execution of the agreements of $308 million and $17 million to OPC and Dalton, respectively, representing payment for a portion of each of OPC's and Dalton's costs of construction for Plant Vogtle Units 3 and 4 previously incurred, (iii) Georgia Power will pay a portion of each of OPC's and Dalton's further costs of construction for Plant Vogtle Units 3 and 4 as such costs are incurred and with no further adjustment for force majeure costs, which payments will be in an aggregate amount of approximately $105 million and $6 million for OPC and Dalton, respectively, based on the current project capital cost forecast, and (iv) Georgia Power will pay 66% of each of OPC's and Dalton's costs of construction with respect to any amounts above the current project capital cost forecast, with no further adjustment for force majeure costs.

Georgia Power recorded pre-tax charges to income through 2023 of $567 million ($424 million after tax) and a pre-tax credit to income in the fourth second quarter 2022 2024 of $407 million $7.6 million ($304 5.7 million after tax) associated with the cost-sharing provisions of the Global Amendments, Vogtle Joint Ownership Agreements, including the settlement with MEAG Power. Based on the current project capital cost forecast and the settlements with OPC and Dalton the other Vogtle Owners described above, Georgia Power recorded a pre-tax charge to income of approximately $160 million ($120 million after tax) in the third quarter 2023. above. These charges are included in the total project capital cost forecast and will not be recovered from retail customers.

The ultimate impact of these matters on the project capital cost forecast for Plant Vogtle Units 3 and 4 cannot is not expected to be determined at this time.

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Regulatory Matters

In 2009, the Georgia PSC voted to certify construction of Plant Vogtle Units 3 and 4 with a certified capital cost of $4.418 billion. In addition, in 2009 the Georgia PSC approved inclusion of the Plant Vogtle Units 3 and 4 related CWIP accounts in rate base,

and the State of Georgia enacted the Georgia Nuclear Energy Financing Act, which allows allowed Georgia Power to recover financing costs for Plant Vogtle Units 3 and 4. Financing costs are were recovered on all applicable certified costs through annual adjustments to the NCCR tariff up to the certified capital cost of $4.418 billion. At December 31, 2023, Georgia Power had recovered approximately $3.0 billion of financing costs. Financing costs related to capital costs above $4.418 billion up to $7.562 billion approved for recovery as described below are being were recognized through AFUDC and will be are being recovered through retail rates over the life of Plant Vogtle Units 3 and 4; however, Georgia Power is did not recording record AFUDC related to any capital costs in excess of $7.562 billion. In December 2022, the Georgia PSC approved Georgia Power's filing to increase the NCCR tariff by $36 million annually, effective January 1, 2023. On November 1, 2023, In November 2023, Georgia Power filed a request to continue for 2024 the NCCR tariff that was effective during 2023. The staff of the Georgia PSC accepted the proposal and no further approval from the Georgia PSC was required. See additional information below on AFUDC and the NCCR tariff following commercial operation of Unit 4.

In 2016, the Georgia PSC voted to approve a settlement agreement (Vogtle Cost Settlement Agreement) resolving certain prudency matters in connection with the fifteenth VCM report. In January 2018, the Georgia PSC issued an order approving Georgia Power's seventeenth VCM report and modified the Vogtle Cost Settlement Agreement. The Vogtle Cost Settlement Agreement, as modified by the January 2018 order, resolved certain regulatory matters related to Plant Vogtle Units 3 and 4 including, but not limited to: (i) a revised capital cost forecast of $7.3 billion (after reflecting the impact of payments received under the Guarantee Settlement Agreement and related customer refunds) was found reasonable; (ii) confirmed that a prudence proceeding on cost recovery would occur following Unit 4 fuel load, consistent with applicable Georgia law; (iii) reduced the ROE used to calculate the NCCR tariff (a) from 10.95% (the ROE rate setting point authorized by the Georgia PSC at that time) to 10.00% effective January 1, 2016, (b) from 10.00% to 8.30%, effective January 1, 2020, and (c) from 8.30% to 5.30%, effective January 1, 2021 (provided that the ROE in no case will be less than Georgia Power's average cost of long-term debt); and (iv) reduced the ROE used for AFUDC equity for Plant Vogtle Units 3 and 4 from 10.00% to Georgia Power's average cost of long-term debt, effective January 1, 2018.

The January 2018 order also stated that if Plant Vogtle Units 3 and 4 are not commercially operational by June 1, 2021 and June 1, 2022, respectively, the ROE used to calculate the NCCR tariff will be further reduced by 10 basis points each month (but not lower than Georgia Power's average cost of long-term debt) until the respective Unit is commercially operational. The ROE reductions negatively impacted earnings by approximately $310 million, $300 million, and $270 million in 2023, 2022, and 2021, respectively, and are estimated to have a negative earnings impact of approximately $90 million in 2024.

In 2021, the Georgia PSC approved an order under which Georgia Power would include in rate base an allocation of $2.1 billion to Plant Vogtle Unit 3 and the Common Facilities from the $3.6 billion of Plant Vogtle Units 3 and 4 costs previously deemed prudent by the Georgia PSC and would recover the related depreciation expense through retail base rates effective the month after Unit 3 is placed in service. In compliance with the Georgia PSC order, Georgia Power increased annual retail base rates by $318 million effective August 1, 2023 based on the in-service date of July 31, 2023 for Unit 3. The related increase in annual retail base rates included recovery of all projected operations and maintenance expenses for Unit 3 and the Common Facilities and other related costs of operation, partially offset by the related PTCs. Financing costs (debt and equity) on the remaining portion of the total Unit 3 and the Common Facilities construction costs continue continued to be recovered through the NCCR tariff or deferred. Georgia Power is deferring deferred as a regulatory asset the debt component of financing costs ($14 million at December 31, 2023) as well as the remaining depreciation expense ($17 million at December 31, 2023) until Unit 4 costs are were placed in retail base rates. rates as described below. The regulatory assets for the debt component of financing costs and depreciation are being recovered over 10 years beginning May 2024, as approved by the Georgia PSC, with a remaining balance of $23 million and $29 million, respectively, at December 31, 2024. The equity component of financing costs ($23 39 million at December 31, 2023 December 31, 2024) represents an unrecognized ratemaking amount that is not reflected on Georgia Power's balance sheets. This amount will be recognized in Georgia Power's income statements in the periods it is billable to customers.

On August 19, 2023, fuel load for Unit 4 was completed, and, on August 30, 2023, In December 2023, the Georgia Power filed an PSC approved Georgia Power's application to adjust rates to include reasonable and prudent Plant Vogtle Units 3 and 4 costs (Application). On December 19, 2023, the Georgia PSC voted to approve the Application as modified by the related stipulated agreement stipulation (Prudency Stipulation) among Georgia Power, the staff of the Georgia PSC, and certain intervenors.

While recognizing the Prudency Stipulation, the Application provided the necessary support to justify the reasonableness, prudence, and recovery of $8.826 billion in total construction and capital costs, $1.07 billion in associated retail rate base items, and the operating costs related to the full operation and output of Plant Vogtle Units 3 and 4. Under the terms of the approved Prudency Stipulation, Georgia Power will recover $7.562 billion in total construction and capital costs and associated retail rate base items of $1.02 billion, which includes AFUDC financing costs above $4.418 billion (the Georgia PSC-certified amount) up to $7.562 billion. Georgia Power will also recover projected operations and maintenance expenses, depreciation, expense, nuclear decommissioning accruals, and property taxes, net of projected PTCs. After considering construction and capital costs already in

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retail base rates of $2.1 billion and $362 million of associated retail rate base items for Unit 3 and Common Facilities (approved by the Georgia PSC in 2021) and upon achieving commercial operation of Unit 4, , Georgia Power will include included in retail rate base the remaining $5.462 billion of construction and capital costs as well as $656 $647 million of associated retail rate base items.

When items effective with the rate adjustment occurs, Georgia Power's April 29, 2024 in-service date for Unit 4. Annual retail base revenues increased approximately $730 million and the average retail base rates were adjusted by approximately 5% (net of the elimination of the NCCR tariff will cease described below) effective May 1, 2024.

Reductions to be collected the ROE used to calculate the NCCR tariff (pursuant to prior Georgia PSC orders) negatively impacted earnings by approximately $80 million through the second quarter 2024 and financing costs will be included $310 million and $300 million in Georgia Power's general retail revenue requirements. 2023 and 2022, respectively. Further, as included in the approved Prudency Stipulation, if since commercial operation for Unit 4 is was not achieved by March 31, 2024, Georgia Power's ROE used to determine the NCCR tariff and calculate AFUDC will be was reduced to zero effective April 1, 2024, which will result resulted in an estimated a negative impact to earnings of approximately $30 $10 million per month until (for one month) in the month second quarter 2024 based on the April 29, 2024 in-service date. Effective May 1, 2024, following the date commercial operation for of Unit 4, is achieved. Georgia Power's NCCR tariff was eliminated and financing costs are included in Georgia Power's general retail revenue requirements. Financing costs of $10 million that were not recovered through the NCCR tariff will be addressed in Georgia Power's next retail base rate case proceeding.

As of each Unit's respective first refueling outage, if the respective Unit's performance has materially deviated from expected performance, the Georgia PSC may order Georgia Power to credit customers for operations and maintenance expenses or disallow costs associated with the repair or replacement of any system, structure, or component found to have caused the material deviation in performance if proven to be the result of imprudent engineering, construction, procurement, testing, or start-up.

Annual retail base revenues will increase approximately $729 million Unit 3 demonstrated high performance and the average retail base rates will be adjusted by approximately 5% (net of the elimination of the NCCR tariff described above) effective reliability during the first day 14 months of operation leading up to its first refueling outage, which took place in the month after fall of 2024 and no performance-related disallowance is expected. Unit 4 achieves commercial operation. has also demonstrated high performance and reliability since being placed in service and its first refueling outage is projected to begin in the fall of 2025. The ultimate outcome of these matters cannot be determined at this time.

COMBINED NOTES TO FINANCIAL STATEMENTS

The approval of the Application and the Prudency Stipulation resolves resolved all issues for determination by the Georgia PSC regarding the reasonableness, prudence, and cost recovery for the remaining Plant Vogtle Units 3 and 4 construction and capital costs not already in retail base rates.

As a result of the Georgia PSC's approval of the Prudency Stipulation, Georgia Power recorded a pre-tax credit to income of approximately $228 million ($170 million after tax) in the fourth quarter 2023 to recognize CWIP costs previously charged to income, which are now recoverable through retail rates. Associated AFUDC on these costs, which totaled approximately $14 million, was also recognized.

The ultimate outcome of these matters cannot be determined at this time.

Mississippi Power

Mississippi Power's rates and charges for service to retail customers are subject to the regulatory oversight of the Mississippi PSC. Mississippi Power's rates are a combination of base rates and several separate cost recovery clauses for specific categories of costs. These separate cost recovery clauses address such items as fuel and purchased power, ad valorem taxes, property damage, and the costs of compliance with environmental laws and regulations. Costs not addressed through one of the specific cost recovery clauses are expected to be recovered through Mississippi Power's base rates.

Performance Evaluation Plan

Mississippi Power's retail base rates generally are set under the PEP, a rate plan approved by the Mississippi PSC. In recognition that Mississippi Power's long-term financial success is dependent upon how well it satisfies its customers' needs, PEP includes performance indicators that directly tie customer service indicators to Mississippi Power's allowed ROE. PEP measures Mississippi Power's performance on a 10-point scale as a weighted average of results in three areas: average customer price, as compared to prices of other regional utilities (weighted at 40%); service reliability, measured in percentage of time customers had electric service (40%); and customer satisfaction, measured in a survey of residential customers (20%). Typically, two PEP filings are made for each calendar year: the PEP projected filing in March of the current year and the PEP lookback filing in March of the subsequent year. The annual PEP projected filings utilize a historic test year adjusted for "known and measurable" changes and discounted cash flow and regression formulas to determine base ROE. The PEP lookback filing reflects the actual revenue requirement.

In June 2021 and June 2022, the Mississippi PSC approved Mississippi Power's annual retail PEP filings, filing, resulting in an annual increases increase in revenues of approximately $16 million, or 1.8%, and $18 million, or 1.9%, respectively, effective with the first billing cycle of April 2021 2022. In June 2023 and April 2022, respectively. On June 13, 2023 on June 13, 2024, the Mississippi PSC approved Mississippi Power's annual retail PEP filing filings for 2023 indicating and 2024, respectively, with no change in retail rates.

Integrated Resource Plan Plans

In 2020, the Mississippi PSC issued an order requiring Mississippi Power to incorporate into its 2021 IRP a schedule of early or anticipated retirement of 950 MWs of fossil-steam generation by year-end 2027 to reduce the excess reserve margin Mississippi Power anticipated at that time. The order stated that Mississippi Power will be allowed to defer any retirement-related costs as regulatory assets for future recovery.

In 2021, the Mississippi PSC concluded its review of Mississippi Power's 2021 IRP. The 2021 IRP included a schedule to retire Plant Watson Unit 4 (268 MWs) and Mississippi Power's 40% ownership interest in Plant Greene County Units 1 and 2 (103

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(206 MWs each) based on 40% ownership) in December 2023, 2025, and 2026, respectively, consistent with each unit's remaining useful life in the most recent approved depreciation studies. In addition, the schedule reflected the early retirement of Mississippi Power's 50% undivided ownership interest in Plant Daniel Units 1 and 2 (502 MWs) MWs based on 50% ownership) by the end of 2027.

In October 2023, Mississippi Power signed an affiliate PPA with Georgia Power for 750 MWs of capacity, which began January 1, 2024 and will continue through December 2028.

On April 26, 2024, Mississippi Power filed its 2024 IRP with the Mississippi PSC. The Mississippi PSC did not note any deficiencies within the prescribed 120-day review period; therefore, the filing is concluded. The 2024 IRP included a schedule to retire Plant Watson Unit 4 and Plant Greene County unit retirements require Units 1 and 2 and to retire early Plant Daniel Units 1 and 2, all by the end of 2028, which is consistent with the completion by Alabama of Mississippi Power's affiliate PPA with Georgia Power. On January 9, 2025, Mississippi Power notified the Mississippi PSC of transmission its intent to extend the retirement date of Plant Daniel Unit 2 and system reliability improvements, as well as agreement by Alabama Power. potentially extend the retirement dates of other fossil steam units beyond their current 2028 retirement dates in order to serve recently signed economic development loads of approximately 600 MWs.

The remaining net book value of Plant Daniel Units 1 and 2 was approximately $489 $478 million at December 31, 2023 December 31, 2024, and Mississippi Power is continuing to depreciate these units using the current approved rates. Mississippi Power expects to reclassify the net book value remaining at retirement to a regulatory asset to be amortized over a period to be determined by the Mississippi

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PSC in future proceedings, consistent with the 2020 order. The Plant Watson and Plant Greene County units are expected to be fully depreciated upon retirement. See Note 3 under "Other Matters – Mississippi Power" for additional information on Plant Daniel Units 1 and 2.

In October 2023, Mississippi Power signed an affiliate PPA with Georgia Power for 750 MWs of capacity, which began January 1, 2024 and will continue through December 2028. In order to fulfill this PPA and serve the interests of customers, Mississippi Power now expects electric generating units identified in its 2021 IRP to remain in service beyond the previously indicated dates. Mississippi Power is expected to file its next IRP in April 2024 in accordance with the rules and orders of the Mississippi PSC.

The ultimate outcome of these matters cannot be determined at this time.

Plant Daniel

On November 8, 2024, Mississippi Power entered into an agreement with FP&L to acquire FP&L's 50% ownership interest in Plant Daniel Units 1 and 2. This acquisition will include a payment by FP&L to Mississippi Power of between $35 million and $38 million, which represents an estimate of the incremental cost to Mississippi Power to assume ownership of FP&L's interest, based on the timing of the completion of the transaction. On January 7, 2025, the Mississippi PSC approved Mississippi Power's request for (i) the inclusion of the acquired assets and the associated costs at Plant Daniel in Mississippi Power's retail rate base, upon completion of the transaction, (ii) the establishment of a new regulatory liability account in which all of the proceeds to be paid by FP&L will be recorded, and (iii) Mississippi Power's ability to amortize that regulatory liability by charging certain expenditures against it. The completion of the transaction is subject to the satisfaction or waiver of certain conditions, including, among other customary closing conditions, approval by the Florida PSC. The ultimate outcome of this matter cannot be determined at this time.

Environmental Compliance Overview Plan

In accordance with a 2011 accounting order from the The Mississippi PSC has authorized Mississippi Power has the authority to defer in a regulatory asset for future recovery all plant retirement- or partial retirement-related costs resulting from environmental regulations.

In June 2021, April 2022, and April 2023, and May 2024, the Mississippi PSC approved Mississippi Power's annual ECO Plan filings, resulting in a decrease in revenues of approximately $9 million annually effective with the first billing cycle of July 2021, an increase increases in revenues of approximately $1 million annually effective with the first billing cycle of May 2022, and a $3 million annual increase in revenues annually effective with the first billing cycle of May 2023, and $9 million annually effective with the first billing cycle of June 2024, respectively.

On February 12, 2024 February 14, 2025, Mississippi Power submitted its annual ECO Plan filing to the Mississippi PSC, which requested a $9 $6 million annual increase in revenues. The ultimate outcome of this matter cannot be determined at this time.

Fuel Cost Recovery

Mississippi Power annually establishes, and is required to file for an adjustment to, the retail fuel cost recovery factor that is approved by the Mississippi PSC. The Mississippi PSC approved increases an increase of $2 million and $43 million effective in February 2021 and 2022, respectively. In November 2022, Mississippi Power filed a request with the Mississippi PSC to increase retail fuel revenues by $25 million annually effective with the first billing cycle of February 2023 and an additional $25 million annually effective with the first billing cycle of June 2023. On January 10, 2023, the Mississippi PSC voted to defer approval of the filing. Mississippi Power is allowed to maintain current billing rates and continue accruing its weighted-average cost of capital on any under or over fuel recovery balance. 2022. On February 6, 2024, the Mississippi PSC approved Mississippi Power's request to increase retail fuel revenues by $18 million annually effective with the first billing cycle of March 2024. The approved filing included the deferral of approximately $61 million of under recovered fuel costs as of October 2023, 2023. On January 7, 2025, the Mississippi PSC approved Mississippi Power's request for no change in retail fuel revenues effective with the first billing cycle of February 2025. The approved filing included the deferral of approximately $25 million of under recovered fuel costs as of October 2024, which is expected to be included in Mississippi Power's next fuel filing. Mississippi Power will continue to accrue its weighted-average cost of capital on any under or over fuel recovery balance.

At December 31, 2024, Mississippi Power had $32 million of deferred under recovered retail fuel clause revenues primarily associated with its fuel-hedging program and $32 million of over recovered retail fuel clause revenues primarily related to lower recoverable fuel costs on its balance sheet. At December 31, 2023, Mississippi Power had $50 million of

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deferred under recovered retail fuel clause revenues and $27 million of over recovered retail fuel clause revenues primarily associated with its fuel-hedging program on its balance sheet. At December 31, 2022, under recovered retail fuel costs of approximately $1 million were included in other customer accounts receivable on Mississippi Power's balance sheet. See Note 1 under "Fuel Costs" for additional information.

Mississippi Power has wholesale MRA and Market Based (MB) fuel cost recovery factors. Effective with the first billing cycles for January 2022, 2023, and 2024, annual and 2025, annual revenues under the wholesale MRA fuel rate increased $11$22 million, and $22 decreased $4 million, and decreased $4 $19 million, re respectively. At December 31, 2024 and 2023, wholesale MRA fuel costs were over recovered $19 millionspectively. and $5 million, respectively, and were included in other current liabilities on Mississippi Power's balance sheets. The wholesale MB fuel fuel rate did not change materially in any period presented. At December 31, 2023 and 2022, The wholesale MB fuel costs were over recovered $5 million and under recovered $6 million, respectively. cost recovery was immaterial for both periods presented.

Mississippi Power's operating revenues are adjusted for differences in actual recoverable fuel cost and amounts billed in accordance with the currently approved cost recovery rate. Accordingly, changes in the billing factor should have no significant effect on Mississippi Power's revenues or net income but will affect operating cash flows.

Ad Valorem Tax Adjustment

Mississippi Power annually establishes an ad valorem tax adjustment factor that is approved by the Mississippi PSC. Any changes are not expected to have a significant effect on Mississippi Power's net income but will affect operating cash flows. Effective with

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the first billing cycle of May 2021, July 2022, and June 2023, and July 2024, the Mississippi PSC approved changes in annual revenues collected through the ad valorem tax adjustment factor resulting in a $28 million increase, a $5 million increase, and a $7 million decrease, respectively. The 2021 increase included approximately $19 and a $5 million of ad valorem taxes previously recovered through PEP in accordance with a 2019 rate case settlement agreement. decrease, respectively.

System Restoration Rider

Mississippi Power carries insurance for the cost of certain types of damage to generation plants and general property. However, Mississippi Power is self-insured for the cost of storm, fire, and other uninsured casualty damage to its property, including transmission and distribution facilities. As permitted by the Mississippi PSC and the FERC, Mississippi Power accrues for the cost of such damage through an annual expense accrual which is credited to regulatory liability accounts for the retail and wholesale jurisdictions. The cost of repairing actual damage resulting from such events that individually exceed $50,000 is charged to the reserve. Every year, the Mississippi PSC, the MPUS, and Mississippi Power agree on SRR revenue level(s).

Mississippi Power's net retail SRR accrual, which includes carrying costs and previously included amortization of related excess deferred income tax benefits, was $11.7 million in 2023, $6.9 million in 2022, and $(1.8) million in 2021. At December 31, 2023 and 2022, the retail property damage reserve balance was $45 million and $37 million, respectively.

In 2021, the Mississippi PSC approved Mississippi Power's annual SRR filing, which requested an increase in retail revenues of approximately $9 million annually effective with the first billing cycle of March 2022. On April 4, 2023, the Mississippi PSC approved Mississippi Power's annual SRR filing, which indicated no change in retail rates. Mississippi Power's minimum annual SRR accrual was increased from $8.3 million to $11.7 million. In the event the expected annual charges exceed the annual accrual or the target balance has been met, Mississippi Power and the Mississippi PSC will determine the appropriate change to the annual accrual. Additionally, if PEP earnings are above a certain threshold, Mississippi Power has the ability to apply any required PEP refund as an additional accrual to the property damage reserve in lieu of customer refunds.

Mississippi Power's net retail SRR accrual, which includes carrying costs and previously included amortization of related excess deferred income tax benefits, was $12.6 million in 2024, $11.7 million in 2023, and $6.9 million in 2022. At December 31, 2024 and 2023, the retail property damage reserve balance was $52 million and $45 million, respectively, and is included in other regulatory liabilities, deferred on Mississippi Power's balance sheets.

In 2021, the Mississippi PSC approved Mississippi Power's annual SRR filing, which requested an increase in retail revenues of approximately $9 million annually effective with the first billing cycle of March 2022. In April 2023, the Mississippi PSC approved Mississippi Power's annual SRR filing, with no change in retail rates. Mississippi Power's minimum annual SRR accrual was increased from $8.3 million to $11.7 million. On February 1, April 11, 2024, the Mississippi Power submitted its PSC approved Mississippi Power's annual SRR filing to the Mississippi PSC, which indicated with no change in retail rates. The filing includes a request to increase the Mississippi Power's minimum annual SRR accrual was increased from $11.7 million to $12.6 million.

Reliability Reserve Accounting Order

In December 2022, the Mississippi PSC approved an accounting order authorizing Mississippi Power to create a reliability reserve for the purpose of deferring to offset future generation, transmission, and distribution reliability-related expenditures for use in a future year. Mississippi Power may make accruals to the reliability reserve each year after meeting with the MPUS and Mississippi PSC staff. Mississippi Power will provide annually, through its capital plan, energy delivery plan, or PEP filing, any amounts to be charged against the reliability reserve during the current year. During 2024, 2023, and 2022, Mississippi Power accrued$21 million, $11 million, and $25 million, respectively, to the reliability

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reserve. At December 31, 2023 December 31, 2024 and 2022, 2023, the reliability reserve balance was $57 million and $36 million, respectively, and $25 million, respectively. is included in other regulatory liabilities, deferred on Mississippi Power's balance sheets.

Municipal and Rural Associations Tariff

Mississippi Power provides wholesale electric service to Cooperative Energy, East Mississippi Electric Power Association, and the City of Collins, all located in southeastern Mississippi, under a long-term, cost-based, FERC-regulated MRA tariff.

In 2017, Mississippi Power and Cooperative Energy executed, and the FERC accepted, a Shared Service Agreement (SSA), as part of the MRA tariff, under which Mississippi Power and Cooperative Energy share in providing electricity to the Cooperative Energy delivery points under the tariff. In August 2022, the FERC accepted an amended SSA between Mississippi Power and Cooperative Energy, effective July 1, 2022, under which Cooperative Energy will continue to decrease its use of Mississippi Power's generation services under the MRA tariff up to 2.5% annually through 2035. At December 31, 2023 December 31, 2024, Mississippi Power is serving approximately 390385 MWs of Cooperative Energy's annual demand. Beginning in 2036, Cooperative Energy will provide 100% of its electricity requirements at the MRA delivery points under the tariff. Neither party has the option to cancel the amended SSA.

On October 27, 2023, In October 2023, the FERC approved a settlement agreement filed by Mississippi Power and Cooperative Energy on July 31, 2023 in July 2023 related to Mississippi Power's July 2022 request for a $23 million increase in annual wholesale base revenues under the MRA tariff. The settlement agreement provides provided for a $16 million increase in annual wholesale base revenues, effective September 14, 2022, and a refund to customers of approximately $6 million, which was completed in November 2023, primarily related to the difference between the approved rates and interim rates.

On May 28, 2024, the FERC issued an order accepting Mississippi Power's request for an $8 million increase in annual wholesale base revenues under the MRA tariff, effective May 29, 2024, subject to refund. On December 23, 2024, Mississippi Power and

Cooperative Energy filed a settlement agreement with the FERC. The settlement agreement provides for (i) a $1 million increase in annual wholesale base revenues and a refund to customers of approximately $4 million, (ii) a rate escalation of 2.5% on an annual basis in periods subsequent to December 31, 2024 and continuing through the end of the SSA on December 31, 2035, and (iii) a waiver of rights by Mississippi Power and Cooperative Energy to file for any changes in non-fuel rates through the end of the term of the SSA. The settlement agreement is subject to approval by the FERC. The ultimate outcome of this matter cannot be determined at this time.

Southern Company Gas

Utility Regulation and Rate Design

The natural gas distribution utilities are subject to regulation and oversight by their respective state regulatory agencies. Rates charged to customers vary according to customer class (residential, commercial, or industrial) and rate jurisdiction. These agencies approve rates designed to provide the opportunity to generate revenues to recover all prudently-incurred costs, including a return on rate base sufficient to pay interest on debt and provide a reasonable ROE.

As a result of operating in a deregulated environment, Atlanta Gas Light earns revenue by charging rates to its customers based primarily on monthly fixed charges that are set by the Georgia PSC and adjusted periodically. The Marketers add these fixed charges when billing their respective customers. This mechanism, called a straight-fixed-variable rate design, minimizes the seasonality of Atlanta Gas Light's revenues since the monthly fixed charge is not volumetric or directly weather dependent.

With the exception of Atlanta Gas Light, the earnings of the natural gas distribution utilities can be affected by customer consumption patterns that are largely a function of weather conditions and price levels for natural gas. Specifically, customer demand substantially increases during the Heating Season when natural gas is used for heating purposes. Southern Company Gas has various mechanisms, such as weather and revenue normalization mechanisms and weather derivative instruments, that limit exposure to weather changes within typical ranges in these utilities' respective service territories.

In addition to natural gas cost recovery mechanisms, other cost recovery mechanisms and regulatory riders, which vary by utility, allow recovery of certain costs, such as those related to infrastructure replacement programs as well as environmental remediation, energy efficiency plans, and bad debts. In traditional rate designs, utilities recover a significant portion of the fixed customer service and pipeline infrastructure costs based on assumed natural gas volumes used by customers. With the exception of Chattanooga Gas, the natural gas distribution utilities have decoupled regulatory mechanisms that Southern Company Gas believes encourage conservation by separating the recoverable amount of these fixed costs from the amounts of natural gas used by customers. See "Rate Proceedings" herein for additional information. Also see "Infrastructure Replacement Programs and Capital Projects" herein for additional information regarding infrastructure replacement programs at certain of the natural gas distribution utilities.

The following table provides regulatory information for Southern Company Gas' natural gas distribution utilities:

	Nicor Gas	Nicor Gas	Atlanta Gas Light	Virginia Natural Gas	Chattanooga Gas	Nicor Gas	Atlanta Gas Light	Virginia Natural Gas	Chattanooga Gas
Authorized ROE at December 31, 2023	9.51%	10.25%	9.70%	9.80%					
Authorized ROE at December 31, 2024	9.51%	10.25%	9.70%	9.80%					
Weather normalization mechanisms[a]	Weather normalization mechanisms[a]			ü	ü	Weather normalization mechanisms[a]		ü	ü

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Utility	Program	Recovery	Capital Expenditures in 2023	Capital Expenditures Since Project Inception	Pipe Installed Since Project Inception	Scope of Program	Program Duration	Last Year of Program
			(in millions)		*(miles)*	*(miles)*	*(years)*	
Nicor Gas	Investing in Illinois Qualifying Infrastructure Plant(*)	Rider	$ 365	$ 3,228	1,367	1,367	9	2023
Virginia Natural Gas	SAVE	Rider	75	486	567	695	13	2024
Atlanta Gas Light	System Reinforcement Rider	Rider	104	180	20	N/A	3	2024
Chattanooga Gas	Pipeline Replacement Program	Rate Base	9	16	15	73	7	2027
Total			$ 553	$ 3,910	1,969	2,135		

(*) Included replacement of pipes, compressors, and transmission mains along with other improvements such as new meters. This program ended November 30, 2023 with all expenditures placed in service. Recovery of program costs is described under "Nicor Gas" herein.

Nicor Gas

Illinois legislation allows Nicor Gas to provide more widespread safety and reliability enhancements to its distribution system through 2023 and stipulates that rate increases to customers as a result of any infrastructure investments shall not exceed a cumulative annual average of 4.0% or, in any given year, 5.5% of base rate revenues. In 2014, the Illinois Commission approved the nine-year regulatory infrastructure program, Investing in Illinois, which concluded in 2023 and is subject to annual review, as discussed further below. In accordance with orders from the Illinois Commission, Nicor Gas recovers program costs incurred through a separate rider and base rates. See "Rate Proceedings – Nicor Gas" herein for additional information.

On June 15, 2023, the Illinois Commission concluded its review of the Qualifying Infrastructure Plant (QIP) capital investments by Nicor Gas for calendar year 2019 under the QIP rider, also referred to as Investing in Illinois program. The Illinois Commission disallowed $32 million of the $415 million of capital investments commissioned in 2019, together with the related return on investment. Nicor Gas recorded a pre-tax charge to income in the second quarter 2023 of $38 million ($28 million after tax) associated with the disallowance of capital investments placed in service in 2019. The disallowance is reflected on the statement of income as an $8 million reduction to revenues and $30 million in estimated loss on regulatory disallowance. On August 3, 2023, the Illinois Commission denied a rehearing request filed by Nicor Gas. On August 24, 2023, Nicor Gas filed a notice of appeal with the Illinois Appellate Court. Nicor Gas defends these investments in infrastructure as prudently incurred.

The following table provides a summary of QIP capital investments during the nine-year program:

Year	Status of QIP Annual Review Proceeding	Capital Investments	Disallowed	Month of Disallowance
		(in millions)		
2015 – 2018	Complete	$ 1,246	$ —	
2019	Complete(a)	415	32	June 2023
2020	Filed March 2021	402 (b)		
2021	Filed March 2022	392 (b)		
2022	Filed March 2023	408 (b)	6 (a)(c)	November 2023
2023	To be filed by March 20, 2024	365 (b)	25 (a)(c)	November 2023
		$ 3,228	$ 63	

(a) Appealed to the Illinois Appellate Court.

(b) Capital investments are subject to the required QIP annual review proceeding; years 2020 through 2022 are pending with the Illinois Commission.

(c) Disallowed in Nicor Gas' 2023 general base rate case proceeding. See "Rate Proceedings – Nicor Gas" herein for additional information regarding the Illinois Commission's disallowance of certain capital investments.

Any further cost disallowances by the Illinois Commission in the pending cases could be material to the financial statements of Southern Company Gas. The ultimate outcome of these matters cannot be determined at this time.

Utility	Program	Recovery	Capital Expenditures in 2024	Capital Expenditures Since Project Inception	Pipe Installed Since Project Inception	Scope of Program	Program Duration	Last Year of Program
			(in millions)		*(miles)*	*(miles)*	*(years)*	
Virginia Natural Gas	SAVE	Rider	$ 75	$ 561	598	938	18	2029
Atlanta Gas Light	System Reinforcement Rider	Rider	99	279	29	N/A	6	2027
Chattanooga Gas	Pipeline Replacement Program	Rate Base	12	28	24	73	7	2027
Total			$ 186	$ 868	651	1,011		

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Virginia Natural Gas

The SAVE program, an accelerated infrastructure replacement program, allows Virginia Natural Gas to continue replacing aging pipeline infrastructure through 2024. infrastructure. The program includes included authorized annual investments of $60 million in 2021 and $70 million in each year from 2022 through 2024, with a total potential variance of up to $5 million allowed for the program, for a maximum total investment over the previous six-year term (2019 through 2024) of $365 million.

On February June 79, , 2024, Virginia Natural Gas filed with the Virginia Commission a request to extend approved the extension of the existing SAVE program through 2029. The request extension of the program includes investments of $70 million in each year from 2025 through 2029, with a potential variance of up to $5 million allowed for the program, for a maximum total investment over the five-year extension (2025 through 2029) of $355 million. Virginia Natural Gas expects the Virginia Commission to issue a final order on this matter in the second quarter 2024. The ultimate outcome of this matter cannot be determined at this time.

The SAVE program is subject to annual review by the Virginia Commission. In accordance with the base rate case approved by the Virginia Commission in 2023, Virginia Natural Gas is recovering program costs incurred prior to January 1, 2023 through base rates. Program costs incurred subsequent to January 1, 2023 are currently being recovered through a separate rider and are subject to future base rate case proceedings. See "Rate Proceedings – Virginia Natural Gas" herein for additional information.

Atlanta Gas Light

In 2019, the Georgia PSC approved the continuation of GRAM as part of Atlanta Gas Light's 2019 rate case order. Various infrastructure programs previously authorized by the Georgia PSC, including the Integrated Vintage Plastic Replacement Program to replace aging plastic pipe and the Integrated System Reinforcement Program to upgrade Atlanta Gas Light's distribution system and LNG facilities in Georgia, continue under GRAM and the recovery of and return on the infrastructure program investments are included in annual base rate adjustments. The amounts to be recovered through rates related to allowed, but not incurred, costs have been quantified as an unrecognized ratemaking amount that is not reflected on the balance sheets. These allowed costs are primarily the equity return on the capital investment under the infrastructure programs in place prior to GRAM and are being recovered through GRAM and base rates until the earlier of the full recovery of such amounts or December 31, 2025. The under recovered balance at December 31, 2023 December 31, 2024 was $44 $22 million, including $23 million $11 million of unrecognized equity return, and is expected to be recovered by December 31, 2025. The Georgia PSC reviews Atlanta Gas Light's performance annually under GRAM. See "Unrecognized Ratemaking Amounts" herein for additional information.

Atlanta Gas Light and the staff of the Georgia PSC previously agreed to a variation of the Integrated Customer Growth Program to extend pipeline facilities to serve customers in areas without pipeline access and create new economic development opportunities in Georgia. A separate tariff provides recovery of up to $15 million annually for strategic economic development projects approved by the Georgia PSC.

See "Rate Proceedings – Atlanta Gas Light" herein for additional information regarding the Georgia PSC's 2021 approval of Atlanta Gas Light's GRAM filing and Integrated Capacity and Delivery Plan. Plan (i-CDP). The Georgia PSC also approved a new System Reinforcement Rider for authorized large pressure improvement and system reliability projects, which is expected to recover related capital investments totaling $286 million for the years 2022 through 2024, of which $99 million, $104 million, and $76 million was incurred in 2024, 2023, and 2022, respectively.

Chattanooga Gas

In 2021, the Tennessee Public Utilities Commission approved Chattanooga Gas' pipeline replacement program to replace approximately 73 miles of distribution main over a seven-year period. The estimated total cost of the program is $118 million, which will be recovered through Chattanooga Gas' annual base rate review mechanism.

Nicor Gas

Illinois legislation allowed Nicor Gas to provide more widespread safety and reliability enhancements to its distribution system through 2023 and stipulated that rate increases to customers as a result of any infrastructure investments did not exceed a cumulative annual average of 4.0% or, in any given year, 5.5% of base rate revenues. In 2014, the Illinois Commission approved the nine-year regulatory infrastructure program, Investing in Illinois, which concluded in 2023 and is subject to annual review, as discussed further below. In accordance with orders from the Illinois Commission, Nicor Gas recovered program costs incurred through a separate rider and base rates. See "Rate Proceedings – Nicor Gas" herein for additional information.

In June 2023, the Illinois Commission concluded its review of the Qualifying Infrastructure Plant (QIP) capital investments by Nicor Gas for calendar year 2019 under the QIP rider, also referred to as Investing in Illinois program. The Illinois Commission disallowed $32 million of the $415 million of capital investments commissioned in 2019, together with the related return on investment. Nicor Gas recorded a pre-tax charge to income in the second quarter 2023 of $38 million ($28 million after tax) associated with the disallowance of capital investments placed in service in 2019. The disallowance is reflected on the statement of income as an $8 million reduction to revenues and $30 million in estimated loss on regulatory disallowance. On August 3, 2023, the Illinois Commission denied a rehearing request filed by Nicor Gas. On August 24, 2023, Nicor Gas filed a notice of appeal with the Illinois Appellate Court. On November 25, 2024, the Illinois Appellate Court agreed with the Illinois Commission's review of the QIP capital investments by Nicor Gas for calendar year 2019 under the QIP rider apart from one immaterial item. On December 24, 2024, Nicor Gas filed a petition for leave to appeal $14 million of the 2019 QIP disallowance with the Illinois Supreme Court. Nicor Gas defends these investments in infrastructure as prudently incurred.

The following table provides a summary of QIP capital investments during the nine-year program:

Year	Status of QIP Annual Review Proceeding	Capital Investments	Disallowed	Month of Disallowance
		(in millions)		
2015 – 2018	Complete	$ 1,246	$ —	
2019	Complete[a]	415	32	June 2023
2020	Filed March 2021	402 [b]		
2021	Filed March 2022	392 [b]		

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2022	Filed March 2023	408 [b]	6 [c][d]	November 2023
2023	Filed March 2024	365 [b]	25 [c][d]	November 2023
		$ 3,228	$ 63	

(a) Petition for leave to appeal filed to the Illinois Supreme Court for $14 million.

(b) Capital investments are subject to the required QIP annual review proceeding; years 2020 through 2023 are pending with the Illinois Commission.

(c) Appealed to the Illinois Appellate Court.

(d) Disallowed in Nicor Gas' 2023 general base rate case proceeding. See "Rate Proceedings – Nicor Gas" herein for additional information regarding the Illinois Commission's disallowance of certain capital investments.

Any further cost disallowances by the Illinois Commission in the pending cases could be material to the financial statements of Southern Company Gas. The ultimate outcome of these matters cannot be determined at this time.

Natural Gas Cost Recovery

With the exception of Atlanta Gas Light, the natural gas distribution utilities are authorized by the relevant regulatory agencies in the states in which they serve to use natural gas cost recovery mechanisms that adjust rates to reflect changes in the wholesale cost of natural gas and ensure recovery of all costs prudently incurred in purchasing natural gas for customers. The natural gas distribution utilities defer or accrue the difference between the actual cost of natural gas and the amount of commodity revenue

earned in a given period. The deferred or accrued amount is either billed or refunded to customers prospectively through adjustments to the commodity rate. Deferred natural gas costs are reflected as regulatory assets and accrued natural gas costs are reflected as regulatory liabilities. Natural gas costs generally do not have a significant effect on Southern Company's or Southern Company Gas' net income but could have a significant effect on cash flows. Since Atlanta Gas Light does not sell natural gas directly to its end-use customers, it does not utilize a traditional natural gas cost recovery mechanism. However, Atlanta Gas Light does maintain natural gas inventory for the Marketers in Georgia and recovers the cost through recovery mechanisms approved by the Georgia PSC. At December 31, 2023 December 31, 2024 and 2023, the over recovered balance was $193 million and $214 million, respectively, which was included in

natural gas cost over recovery on Southern Company's and Southern Company Gas' balance sheets. At December 31, 2022, the under recovered balance was $108 million, which was is included in natural gas cost under over recovery on Southern Company's and Southern Company Gas' balance sheets.

Rate Proceedings

Nicor Gas

In 2021, the Illinois Commission approved a $240 million annual base rate increase, which became effective November 24, 2021. The base rate increase included $94 million related to the recovery of program costs under the Investing in Illinois program and was based on a ROE of 9.75% and an equity ratio of 54.5%.

On November 16, 2023, November 2023, the Illinois Commission approved a $223 million annual base rate increase for Nicor Gas, which became effective December 1, 2023. The base rate increase was based on a return on equity an ROE of 9.51% and an equity ratio of 50.00%.

In connection with Nicor Gas' 2023 general base rate case proceeding, the Illinois Commission disallowed $126.8 million of capital investments that have been completed or were planned to be completed through December 31, 2024. This includes $31 million for capital investments placed in service in 2022 and 2023 under the Investing in Illinois program and $95.9 million for other transmission and distribution capital investments. Nicor Gas recorded a pre-tax charge to income in the fourth quarter 2023 of $58 million ($44 million after tax) associated with the disallowances, with the remaining $69 million related to prospective projects that will be postponed and/or reevaluated. The disallowance is reflected on the statement of income in estimated loss on regulatory disallowance. See "Infrastructure Replacement Programs and Capital Projects – Nicor Gas" herein for additional information regarding the Illinois Commission's disallowance of certain capital investments. On January 3, 2024, the Illinois Commission denied a request by Nicor Gas for rehearing on the base rate case disallowances associated with capital investment, as well as on other issues determined in the Illinois Commission's November 16, 2023 November 2023 base rate case decision. On February 6, 2024, Nicor Gas filed a notice of appeal with the Illinois Appellate Court related to the Illinois Commission's rate case ruling.

On January 3, 2025, Nicor Gas filed a general base rate case with the Illinois Commission requesting a $309 million increase in annual base rate revenues. The requested increase is based on a projected test year for the 12-month period ending December 31, 2026, an ROE of 10.35%, and an equity ratio of 54.6%. The Illinois Commission is expected to rule on the requested increase within the 11-month statutory time limit, after which rate adjustments will be effective.

The ultimate outcome of this matter these matters cannot be determined at this time.

Atlanta Gas Light

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The Georgia PSC evaluates Atlanta Gas Light's earnings against a an ROE range of 10.05% to 10.45%, with disposition of any earnings above 10.45% to be determined by the Georgia PSC. Additionally, the Georgia PSC allows inclusion in base rates of the recovery of and return on the infrastructure program investments, including, but not limited to, GRAM adjustments. GRAM filing rate adjustments are based on an authorized ROE of 10.25%. GRAM adjustments for 2021 could not exceed 5% of 2020 base rates. The 5% limitation does not set a precedent in any future rate proceedings by Atlanta Gas Light.

In April 2021, Atlanta Gas Light filed its Integrated Capacity and Delivery Plan (i-CDP) i-CDP with the Georgia PSC, which included a series of ongoing and proposed pipeline safety, reliability, and growth programs for the next 10 years (2022 through 2031), as well as the required capital investments and related costs to implement the programs. The i-CDP reflected capital investments totaling approximately $0.5 billion to $0.6 billion annually.

In November 2021, the Georgia PSC approved a stipulation agreement between Atlanta Gas Light and the staff of the Georgia PSC, under which, for the years 2022 through 2024, Atlanta Gas Light will would incrementally reduce its combined GRAM and System Reinforcement Rider request by 10% through Atlanta Gas Light's GRAM mechanism, which resulted in a reduction of $5 million for 2022, $7 million for 2023, and $9 million for 2024. The stipulation agreement also provided for $1.7 billion of total capital investment for the years 2022 through 2024.

In November 2021, December 2022 and December 2023, the Georgia PSC approved Atlanta Gas Light's annual GRAM filings, which resulted in an annual base rate increase of $43 million effective January 1, 2022, an annual rate increase increases of $53 million effective January 1, 2023, and an annual rate increase of $53 million effective January 1, 2024, respectively.

On February 1, 2024 December 12, 2024, Atlanta Gas Light filed its triennial i-CDP with the Georgia PSC approved Atlanta Gas Light's annual GRAM filing, which included annual base rate increases of $72 million, $73 million, and $74 million effective January 1, 2025, 2026, and 2027, respectively.

On July 2, 2024, the Georgia PSC approved a stipulation related to Atlanta Gas Light's 2024 i-CDP, which included a series of ongoing and proposed pipeline safety, reliability, and growth programs for the next 10 years (2025 through 2034), as well as the required capital investments and related costs to implement the programs. The i-CDP reflected capital investments totaling approximately

COMBINED NOTES TO FINANCIAL STATEMENTS

$0.7 required capital investments and related cost to implement the programs. The i-CDP allows capital investments totaling approximately $0.6 billion to $1.0 billion annually. Atlanta Gas Light expects annually for the years 2025 through 2027 with related revenue requirement recovery through either the annual GRAM filing or the System Reinforcement Rider surcharge adjustment. Additionally, the Georgia PSC approved a surcharge recovery mechanism for capital projects related to issue a final order municipal, county, and Georgia Department of Transportation infrastructure work. Rate changes associated with the new surcharge will be based on this matter in requests filed annually on September 1. If approved, new rates will become effective January 1 of the third quarter 2024. The ultimate outcome of this matter cannot be determined at this time. following year.

Virginia Natural Gas

In 2021, August 2023, the Virginia Commission approved a stipulation agreement related to Virginia Natural Gas' 2020 general rate case filing, which allowed for a $43 million increase in annual base rate revenues, including $14 million related to the recovery of investments under the SAVE program, based on a ROE of 9.5% and an equity ratio of 51.9%. Interim rates became effective as of November 1, 2020, subject to refund, based on Virginia Natural Gas' original requested increase of approximately $50 million. Refunds to customers related to the difference between the approved rates effective October 1, 2021 and the interim rates were completed during the fourth quarter 2021.

On August 28, 2023, the Virginia Commission approved a stipulation agreement related to Virginia Natural Gas' August 2022 general base rate case filing, which allowed for a $48 million increase in annual base rate revenues based on a an ROE of 9.70% and an equity ratio of 49.06%. Interim rates became effective as of January 1, 2023, subject to refund, based on Virginia Natural Gas' original requested increase of approximately $69 million. Refunds to customers related to the difference between the approved rates effective September 1, 2023 and the interim rates were completed during the fourth quarter 2023.

On August 1, 2024, Virginia Natural Gas filed a base rate case with the Virginia Commission seeking an increase in annual base revenues of $63 million, including $17 million related to the recovery of investments under the SAVE program, primarily to recover investments and increased costs associated with infrastructure and technology. The requested increase is based on a projected 12-month period beginning January 1, 2025, an ROE of 10.45%, and an equity ratio of 54.92%. Rate adjustments were effective January 1, 2025, subject to refund. The Virginia Commission is expected to issue an order on the requested increase in the fourth quarter 2025. The ultimate outcome of this matter cannot be determined at this time.

Unrecognized Ratemaking Amounts

The following table illustrates Southern Company Gas' authorized ratemaking amounts that are not recognized on its balance sheets. These amounts are primarily comprised of an allowed equity rate of return on assets associated with certain regulatory infrastructure programs. These amounts will be recognized as revenues in Southern Company Gas' financial statements in the periods they are billable to customers, the majority of which will be recovered by 2025.

	December 31, 2023		
	December 31, 2023		
	December 31, 2023	December 31, 2022	
	December 31, 2024		
	December 31, 2024		
	December 31, 2024	December 31, 2023	
		(in millions)	
Atlanta Gas Light			
Virginia Natural Gas			

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Chattanooga Gas	
Nicor Gas	
Total	

COMBINED NOTES TO FINANCIAL STATEMENTS

3. CONTINGENCIES, COMMITMENTS, AND GUARANTEES

General Litigation Matters

The Registrants are involved in various matters being litigated and regulatory matters. The ultimate outcome of such pending or potential litigation or regulatory matters against each Registrant and any subsidiaries cannot be determined at this time; however, for current proceedings not specifically reported herein, management does not anticipate that the ultimate liabilities, if any, arising from such current proceedings would have a material effect on such Registrant's financial statements.

The Registrants intend to dispute the allegations raised in and vigorously defend against the pending legal challenges discussed below; however, the ultimate outcome of each of these matters cannot be determined at this time.

Southern Company and Mississippi Power

In 2010, the DOE, through a cooperative agreement with SCS, agreed to fund $270 million of the Kemper County energy facility through the grants awarded to the project by the DOE under the Clean Coal Power Initiative Round 2. In 2016, additional DOE grants in the amount of $137 million were awarded to the Kemper County energy facility. In 2018, Mississippi Power filed with the DOE its request for property closeout certification under the contract related to the $387 million of total grants received. In 2020, Mississippi Power and Southern Company executed an agreement with the DOE completing Mississippi Power's request, which enabled Mississippi Power to proceed with full dismantlement of the abandoned gasifier-related assets and site restoration activities. In connection with the DOE closeout discussions, in 2019, the Civil Division of the Department of Justice informed Southern Company and Mississippi Power of a civil investigation related to the DOE grants. On August 4, 2023, In August 2023, the U.S. District Court for the Northern District of Georgia unsealed a civil action in which defendants Southern Company, SCS, and Mississippi

COMBINED NOTES TO FINANCIAL STATEMENTS

Power are alleged to have violated certain provisions of the False Claims Act by fraudulently inducing the DOE to disburse funds pursuant to the grants. The federal government declined to intervene in the action. On October 30, 2023, In October 2023, the plaintiff, a former SCS employee, filed an amended complaint, again alleging certain violations of the False Claims Act. The plaintiff seeks to recover all damages incurred personally and on behalf of the federal government caused by the defendants' alleged violations, as well as treble damages and attorneys' fees, among other relief. On February 2, 2024, the defendants moved to dismiss the amended complaint. On August 28, 2024, the court granted the defendants' motion in part and denied it in part, dismissing the plaintiff's False Claims Act count along with its accompanying treble damages and attorneys' fees but allowing the employment retaliation claim to proceed. The ultimate outcome plaintiff requested interlocutory appeal of this matter cannot be determined at this time; however, an the court's decision on October 4, 2024. On October 14, 2024, the defendants asserted counterclaims for conversion and misappropriation of trade secrets. On November 20, 2024, the defendants filed a motion for judgment on the pleadings on the plaintiff's employment retaliation claim. On December 23, 2024, the plaintiff filed a motion to dismiss the defendants' counterclaims. An adverse outcome could have a material impact on Southern Company's and Mississippi Power's financial statements.

Alabama Power

In September 2022, Mobile Baykeeper filed a citizen suit in the U.S. District Court for the Southern District of Alabama alleging that Alabama Power's plan to close the Plant Barry ash pond surface impoundment utilizing a closure-in-place methodology violates the Resource Conservation and Recovery Act (RCRA) and regulations governing CCR. Among other relief requested, Mobile Baykeeper sought a declaratory judgment that the RCRA and regulations governing CCR were being violated, preliminary and injunctive relief to prevent implementation of Alabama Power's closure plan, and the development of a closure plan that satisfies regulations governing CCR requirements. In December 2022, Alabama Power filed a motion to dismiss the case. On January 4, 2024, the lawsuit was dismissed without prejudice by the U.S. District Court judge. On February 1, 2024, the plaintiff filed a motion to reconsider. reconsider, which was denied by the U.S. District Court judge on July 22, 2024. On August 20, 2024, the plaintiff filed a notice of appeal in the U.S. Court of Appeals for the Eleventh Circuit challenging the denial of the motion to reconsider the order of dismissal.

On January 31, 2023, In January 2023, the EPA issued a Notice of Potential Violations (NOPV) associated with Alabama Power's plan to close the Plant Barry ash pond. surface impoundment. On September 26, 2024, Alabama Power reached a settlement with the EPA resolving two of the three allegations in the NOPV related to the groundwater monitoring system and the emergency action plan at the Plant Barry surface impoundment. The settlement did not resolve the EPA's allegation relating to Alabama Power's plan to close the Plant Barry surface impoundment. Alabama Power has affirmed to the EPA its position that it is in compliance with CCR requirements. The ultimate outcome of this matter cannot be determined at this time but

These matters could have a material impact on Alabama Power's and Southern Company's financial statements, including ARO estimates and cash flows.

See Note 6 for a discussion of Alabama Power's ARO liabilities.

Georgia Power

In July 2020, a group of individual plaintiffs filed a complaint, which was amended in December 2022, in the Superior Court of Fulton County, Georgia against Georgia Power alleging that the construction and operation of Plant Scherer has impacted groundwater and air, resulting in alleged personal injuries and property damage. The plaintiffs

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seek sought an unspecified amount of monetary damages including punitive damages, a medical monitoring fund, and injunctive relief. In December 2022, the Superior Court of Fulton County, Georgia granted Georgia Power's motion to transfer the case to the Superior Court of Monroe County, Georgia. On May 9, 2023, In May 2023, the Superior Court of Monroe County, Georgia denied Georgia Power's motion to dismiss the case for lack of subject matter jurisdiction. On July 27, 2023, In July 2023, the Superior Court of Monroe County, Georgia denied the remaining motions to dismiss certain claims and plaintiffs that Georgia Power filed at the outset of the case. On March 11, 2024, Georgia Power filed a motion to dismiss certain claims. On March 14, 2024, Georgia Power filed motions for summary judgment. In May 2024, Georgia Power filed additional motions for summary judgment. In August 2024, the court denied certain motions for summary judgment, while granting other motions for summary judgment, eliminating some claims from the first one-plaintiff trial.

In October 2021, February 2022, and January 2023, a total of eight additional complaints were filed in the Superior Court of Monroe County, Georgia against Georgia Power alleging that releases from Plant Scherer have impacted groundwater and air, resulting in alleged personal injuries and property damage. The plaintiffs sought an unspecified amount of monetary damages

including punitive damages. After Georgia Power removed these cases to the U.S. District Court for the Middle District of Georgia, the plaintiffs voluntarily dismissed their complaints without prejudice in November 2022 and January 2023. On May 12, 2023, In May 2023, the plaintiffs in the cases originally filed in October 2021, February 2022, and January 2023 refiled their eight complaints in the Superior Court of Monroe County, Georgia. Also on May 12, 2023, in May 2023, a new complaint was filed in the Superior Court of Monroe County, Georgia against Georgia Power alleging that the construction and operation of Plant Scherer have impacted groundwater and air, resulting in alleged personal injuries. The plaintiff seeks sought an unspecified amount of monetary damages, including punitive damages. On May 18, 2023, Also in May 2023, Georgia Power removed all of these cases to the U.S. District Court for the Middle District of Georgia. The plaintiffs are requesting requested the court remand the cases back to the Superior Court of Monroe County, Georgia. The amount of possible loss, if any, from these matters cannot be estimated at this time.

Mississippi Power

In 2018, Ray C. Turnage and 10 other individual plaintiffs filed a putative class action complaint against Mississippi Power and the three then-serving members of the Mississippi PSC in the U.S. District Court for the Southern District of Mississippi, which was amended in March 2019 to include four additional plaintiffs. Mississippi Power received Mississippi PSC approval in 2013 to charge a mirror CWIP rate premised upon including in its rate base pre-construction and construction costs for the Kemper IGCC prior to placing the Kemper IGCC into service. The Mississippi Supreme Court reversed that approval and ordered Mississippi Power to refund the amounts paid by customers under the previously-approved mirror CWIP rate. The plaintiffs allege that the initial approval process, and the amount approved, were improper and make claims for gross negligence, reckless conduct, and intentional wrongdoing. They also allege that Mississippi Power underpaid customers by up to $23.5 million in the refund process by applying an incorrect interest rate. The plaintiffs seek to recover, on behalf of themselves and their putative class, actual damages, punitive damages, pre-judgment interest, post-judgment interest, attorney's fees, and costs. The district court dismissed the amended complaint; however, in March 2020, the plaintiffs filed a motion seeking to name the new members of the Mississippi PSC, the Mississippi Development Authority, and Southern Company as additional defendants and add a cause of action against all defendants based on a dormant commerce clause theory under the U.S. Constitution. In July 2020, the plaintiffs filed a motion for leave to file a third amended complaint, which included the same federal claims as the proposed second amended complaint, as well as several additional state law claims based on the allegation that Mississippi Power failed to disclose the annual percentage rate of interest applicable to refunds. In November 2020, the district court denied each of the plaintiffs' pending motions and entered final judgment in favor of Mississippi Power. In January 2021, the district court denied further motions by the plaintiffs to vacate the judgment and to file a revised second amended complaint. In February 2021, the plaintiffs filed a notice of appeal with the U.S. Court of Appeals for the Fifth Circuit. In March 2022, the U.S. Court of Appeals for the Fifth Circuit issued an opinion affirming the dismissal of the claims against the Mississippi PSC defendants but reversing the dismissal of the claims against Mississippi Power. In May 2022, the U.S. Court of Appeals for the Fifth Circuit denied a petition by Mississippi Power for a rehearing en banc and remanded the case to the U.S. District Court for the Southern District of Mississippi for further proceedings. In June 2022, Mississippi Power filed with the trial court a motion to dismiss the complaint with prejudice, which was granted on March 15, 2023. On March 28, 2023, the plaintiffs filed a notice of appeal with the U.S. Court of Appeals for the Fifth Circuit. On December 14, 2023, the U.S. Court of Appeals for the Fifth Circuit affirmed the district court's order dismissing the plaintiffs' complaint against Mississippi Power. On December 28, 2023, the plaintiffs filed a petition for panel rehearing, which was denied on January 10, 2024. The plaintiffs have until April 9, 2024 to file a petition for writ of certiorari with the U.S. Supreme Court. The ultimate outcome of this matter cannot be determined at this time.

Southern Power

In July 2021, Southern Power and certain of its subsidiaries filed an arbitration demand with the American Arbitration Association against First Solar Electric, LLC (First Solar) for defective design of actuators on trackers and inverters installed by First Solar under the engineering, procurement, and construction agreements associated with five solar projects owned by Southern Power and partners and managed by Southern Power. In February 2023, arbitration hearings concluded. In July 2023, an interim award of approximately $36 million was entered in favor of Southern Power and was subsequently received in September 2023. The interim award included $18 million representing recovery of losses associated with replacement costs, penalty payments, and lost revenues previously incurred. This recovery is reflected in Southern Power's 2023 statement of income as an $11 million reduction to other operations and maintenance expense and a $7 million increase in other revenues, with $6 million allocated through noncontrolling interests to Southern Power's partners. The remaining $18 million in award proceeds received in excess of the losses incurred is recognized on the balance sheet at December 31, 2023 as restricted cash and a liability to fund future replacement costs. In November 2023, the final award was issued and Southern Power filed for confirmation of the final award in the Delaware Court of Chancery. In December 2023, First Solar filed a motion to dismiss the confirmation and, in February 2024, filed a petition to vacate the arbitration award in the Supreme Court of New York County, New York. The ultimate outcome of this matter cannot be determined at this time.

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On November 18, 2024, the parties reached an agreement to resolve all pending lawsuits in the Superior Court of Fulton County, Georgia and the Superior Court of Monroe County, Georgia. On November 22, 2024, the Superior Court of Monroe County, Georgia entered an order granting Georgia Power's motions for summary judgment, finding there is no evidence that Georgia Power's operations negatively impacted drinking water wells or caused personal injury or property damage. On November 25, 2024, the plaintiffs voluntarily dismissed with prejudice all remaining claims in the litigation. The settlement amount did not have a material impact on Georgia Power's financial statements. These matters are now concluded.

Environmental Remediation

The Southern Company system must comply with environmental laws and regulations governing the handling and disposal of waste and releases of hazardous substances. Under these various laws and regulations, the Southern Company system could incur substantial costs to clean up affected sites. The traditional electric operating companies and the natural gas distribution utilities conduct studies to determine the extent of any required cleanup and have recognized the estimated costs to clean up known impacted sites in the financial statements. A liability for environmental remediation costs is recognized only when a loss is determined to be probable and reasonably estimable and is reduced as expenditures are incurred. The traditional electric operating companies and the natural gas distribution utilities in Illinois and Georgia have each received authority from their respective state PSCs or other applicable state regulatory agencies to recover approved environmental remediation costs through regulatory mechanisms. Any difference between the liabilities accrued and costs recovered through rates is deferred as a regulatory asset or liability. These regulatory mechanisms are adjusted annually or as necessary within limits approved by the state PSCs or other applicable state regulatory agencies.

Georgia Power has been designated or identified as a potentially responsible party at sites governed by the Georgia Hazardous Site Response Act and/or by the federal Comprehensive Environmental Response, Compensation, and Liability Act, and assessment and potential cleanup of such sites is expected. For 2024, 2023, 2022, and 2021, 2022, Georgia Power recovered approximately $5 million, $5 million, $12 million, and $12 million, respectively, through the ECCR tariff for environmental remediation.

Southern Company Gas is subject to environmental remediation liabilities associated with 40 former manufactured gas plant sites in four different states. sites. Southern Company Gas' accrued environmental remediation liability at December 31, 2023 December 31, 2024 and 2022 2023 was based on the estimated cost of environmental investigation and remediation associated with these sites.

At December 31, 2023 December 31, 2024 and 2022, 2023, the environmental remediation liability and the balance of under recovered environmental remediation costs were reflected in the balance sheets of Southern Company, Georgia Power, and Southern Company Gas as shown in the table below. Alabama Power and Mississippi Power did not have environmental remediation liabilities at December 31, 2023 December 31, 2024 or 2022. 2023.

	Southern Company	Southern Company	Georgia Power	Southern Company Gas	Southern Company	Georgia Power	Southern Company Gas
				(in millions)			
December 31, 2024:							
Environmental remediation liability:							
Environmental remediation liability:							
Environmental remediation liability:							
Other current liabilities							
Other current liabilities							
Other current liabilities							
Accrued environmental remediation							
Under recovered environmental remediation costs:							
Other regulatory assets, current							
Other regulatory assets, current							
Other regulatory assets, current							
Other regulatory assets, deferred							
December 31, 2023:							
December 31, 2023:							
December 31, 2023:							
Environmental remediation liability:							
Environmental remediation liability:							
Environmental remediation liability:							
Other current liabilities							
Other current liabilities							
Other current liabilities							
Accrued environmental remediation							
Under recovered environmental remediation costs:							
Other regulatory assets, current							
Other regulatory assets, current							
Other regulatory assets, current							

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Other regulatory assets, deferred	
December 31, 2022:	
December 31, 2022:	
December 31, 2022:	
Environmental remediation liability:	
Environmental remediation liability:	
Environmental remediation liability:	
Other current liabilities	
Other current liabilities	
Other current liabilities	
Accrued environmental remediation	
Under recovered environmental remediation costs:	
Other regulatory assets, current	
Other regulatory assets, current	
Other regulatory assets, current	
Other regulatory assets, deferred	

The ultimate outcome of these matters cannot be determined at this time; however, as a result of the regulatory treatment for environmental remediation expenses described above, the final disposition of these matters is not expected to have a material impact on the financial statements of the applicable Registrants.

Nuclear Fuel Disposal Costs

Acting through the DOE and pursuant to the Nuclear Waste Policy Act of 1982, the U.S. government entered into contracts with Alabama Power and Georgia Power that required the DOE to take title to and dispose of spent nuclear fuel generated at Plants Farley, Hatch, and Vogtle Units 1 and 2 beginning no later than January 31, 1998. The DOE has yet to commence performance of

its contractual and statutory obligation to dispose of spent nuclear fuel. Consequently, Alabama Power and Georgia Power pursued and continue to pursue legal remedies against the U.S. government for its partial breach of contract.

In 2014, Alabama Power and Georgia Power filed their third round of lawsuits against the U.S. government in the Court of Federal Claims, seeking damages for the costs of continuing to store spent nuclear fuel at Plants Farley, Hatch, and Vogtle Units 1 and 2 for the period from January 1, 2011 through December 31, 2013. The damage period was subsequently extended to December 31, 2014. In 2019, the Court of Federal Claims granted Alabama Power's and Georgia Power's motion for summary judgment on damages not disputed by the U.S. government, awarding those undisputed damages to Alabama Power and Georgia Power. However, those undisputed damages are not collectible until the court enters final judgment on the remaining damages.

In 2017, Alabama Power and Georgia Power filed their fourth round of lawsuits against the U.S. government in the Court of Federal Claims, seeking damages for the costs of continuing to store spent nuclear fuel at Plants Farley, Hatch, and Vogtle Units 1 and 2 for the period from January 1, 2015 through December 31, 2017. In 2020, Alabama Power and Georgia Power filed amended complaints in those fourth-round lawsuits adding damages incurred from January 1, 2018 to December 31, 2019 to the claim period.

The outstanding On June 7, 2024, and August 15, 2024, the Court of Federal Claims entered final judgments on the remaining damages in the third and fourth round of lawsuits, respectively, awarding Alabama Power a total of approximately $100 million and Georgia Power a total of approximately $121 million (based on its ownership interests), which represent claims for the period from January 1, 2011 through December 31, 2019 total $106 million and $128 million for . This represents recovery on all claims that Alabama Power and Georgia Power (based have filed against the U.S. government to date.

On December 3, 2024, the Alabama PSC directed Alabama Power to return the award, which was reflected as a regulatory liability at December 31, 2024, to customers through bill credits during the months of January, February, and March 2025. During the third quarter 2024, Georgia Power credited the award to accounts where the original costs were charged, which reduced rate base, fuel, and cost of service for the benefit of customers, as previously authorized by the Georgia PSC. As a result of this regulatory treatment, there will be no material impact on its ownership interests), respectively. Southern Company's, Alabama Power's, or Georgia Power's net income.

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Damages will continue to accumulate until the issue is resolved, the U.S. government disposes of Alabama Power's and Georgia Power's spent nuclear fuel pursuant to its contractual obligations, or alternative storage is otherwise provided. No amounts have been recognized in the financial statements as of December 31, 2023 for any potential recoveries from the pending lawsuits.

The final outcome of these matters cannot be determined at this time. However, Alabama Power and Georgia Power expect to credit any future recoveries for the benefit of customers in accordance with direction from their respective PSC; therefore, no material impact on Southern Company's, Alabama Power's, or Georgia Power's net income is expected.

On-site dry spent fuel storage facilities are operational at all three plants and can be expanded to accommodate spent fuel through the expected life of each plant.

Nuclear Insurance

Under the Price-Anderson Amendments Act (Act), Alabama Power and Georgia Power maintain agreements of indemnity with the NRC that, together with private insurance, cover third-party liability arising from any nuclear incident occurring at the companies' nuclear power plants. The Act provides funds up to $16.2 billion $16.3 billion for public liability claims that could arise from a single nuclear incident. Each nuclear plant is insured against this liability to a maximum of $450 million $500 million by American Nuclear Insurers (ANI), with the remaining coverage provided by a mandatory program of deferred premiums that could be assessed, after a nuclear incident, against all owners of commercial nuclear reactors. A company could be assessed up to $166 million per incident for each licensed reactor it operates but not more than an aggregate of $25 million per incident to be paid in a calendar year for each reactor. Such maximum assessment, excluding any applicable state premium taxes, for Alabama Power and Georgia Power, based on its ownership and buyback interests in all licensed reactors, is $332 million and $473 million, respectively, per incident, but not more than an aggregate of $49 million and $71 million, respectively, to be paid for each incident in any one year. Both the maximum assessment per reactor and the maximum yearly assessment are adjusted for inflation at least every five years. The next scheduled adjustment is due no later than November 1, 2028. See Note 5 under "Joint Ownership Agreements" for additional information on joint ownership agreements.

Alabama Power and Georgia Power are members of Nuclear Electric Insurance Limited (NEIL), a mutual insurer established to provide property damage insurance in an amount up to $1.5 billion for members' operating nuclear generating facilities. Additionally, both companies have NEIL policies that currently provide decontamination, excess property insurance, and premature decommissioning coverage up to $1.25 billion for nuclear losses and policies providing coverage up to $750 million for non-nuclear losses in excess of the $1.5 billion primary coverage.

NEIL also covers the additional costs that would be incurred in obtaining replacement power during a prolonged accidental outage at a member's nuclear plant. Members can purchase this coverage, subject to a deductible waiting period of up to 26 weeks, with a maximum per occurrence per unit limit of $490 million. After the deductible period, weekly indemnity payments would be received until either the unit is operational or until the limit is exhausted. Alabama Power and Georgia Power each purchase limits based on the projected full cost of replacement power, subject to ownership limitations, and have each elected a 12-week deductible waiting period for each nuclear plant.

A builders' risk property insurance policy has been purchased from NEIL for the construction of Plant Vogtle Unit 4. This policy provides the Vogtle Owners up to $2.75 billion for accidental property damage occurring during construction.

Under each of the NEIL policies, members are subject to assessments each year if losses exceed the accumulated funds available to the insurer. The maximum annual assessments for Alabama Power and Georgia Power as of December 31, 2023 December 31, 2024 under the NEIL policies would be $54 million $60 million and $89 million $80 million, respectively.

Claims resulting from terrorist acts and cyber events are covered under both the ANI and NEIL policies (subject to normal policy limits). The maximum aggregate that NEIL will pay for all claims resulting from terrorist acts and cyber events in any 12-month period is $3.2 billion each, plus such additional amounts NEIL can recover through reinsurance, indemnity, or other sources.

For all on-site property damage insurance policies for commercial nuclear power plants, the NRC requires that the proceeds of such policies shall be dedicated first for the sole purpose of placing the reactor in a safe and stable condition after an accident. Any remaining proceeds are to be applied next toward the costs of decontamination and debris removal operations ordered by the NRC, and any further remaining proceeds are to be paid either to the applicable company or to its debt trustees as may be appropriate under the policies and applicable trust indentures. In the event of a loss, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered from customers, would be borne by Alabama Power or Georgia Power, as applicable, and could have a material effect on Southern Company's, Alabama Power's, and Georgia Power's financial condition, cash flows, and results of operations.

All retrospective assessments, whether generated for liability, property, or replacement power, may be subject to applicable state premium taxes.

Other Matters

Traditional Electric Operating Companies Alabama Power

In April 2019, Bellsouth Telecommunications d/b/a AT&T Alabama (AT&T) filed a complaint against Alabama Power with the FCC alleging that the pole rental rate AT&T is required to pay pursuant to the parties' joint use agreement is unjust and unreasonable under federal law. The complaint sought a new rate and approximately $87 million in refunds of alleged overpayments for the preceding six years. since 2013. In August 2019, the FCC stayed the case in favor of arbitration, which AT&T has did not pursued. pursue. On

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December 31, 2024, Alabama Power and AT&T reached a settlement that resolved several disputes between the parties, including the outstanding FCC complaint. The terms of the settlement are not expected to have a material impact on Alabama Power's or Southern Company's financial statements. The joint use agreement remains in effect. The ultimate outcome of this matter cannot be determined at this time, but an adverse outcome could have a material impact on the financial statements of Southern Company and Alabama Power. Georgia Power and Mississippi Power have joint use agreements with other AT&T affiliates.

Mississippi Power

Kemper County Energy Facility

In 2021, 2022, 2023, and 2023, 2024, Mississippi Power recorded charges to income associated with abandonment and related closure costs and ongoing period costs, net of salvage proceeds, for the mine and gasifier-related assets at the Kemper County energy facility. These charges, including related tax impacts, totaled $11 million pre-tax ($8 million after tax) in 2021, $15 million pre-tax ($12 million after tax) in 2022, and $17 million$17 million pre-tax ($($12 million after tax) in 2023. 2023, and $12 million pre-tax ($9 million after tax) in 2024. The pre-tax charges are included in other operations and maintenance expenses on the statements of income.

Dismantlement of the abandoned gasifier-related assets and site restoration activities are expected to be completed by 2026 the end of 2025. Additional pre-tax period costs associated with dismantlement and site restoration activities, including related costs for compliance and safety, ARO accretion, and property taxes, net of salvage, are estimated to total approximately $15 million annually through 2025$15 million.

Mississippi Power owns the lignite mine located around the Kemper County energy facility site. As a result of the abandonment of the Kemper IGCC, final mine reclamation began in 2018 and was substantially completed in 2020, with monitoring expected to continue through 2028.

As the mining permit holder, Liberty Fuels Company, LLC, a wholly-owned subsidiary of The North American Coal Corporation, has a legal obligation to perform mine reclamation and Mississippi Power has a contractual obligation to fund all reclamation activities. See Note 6 for additional information.

See "General Litigation Matters – Southern Company and Mississippi Power" herein for information regarding litigation associated with the Kemper County energy facility.

Plant Daniel

In conjunction with Southern Company's 2019 sale of Gulf Power, NextEra Energy held back $75 million of the purchase price pending Mississippi Power and NextEra Energy negotiating a mutually acceptable revised operating agreement for Plant Daniel. In July 2022, the co-owners executed a revised operating agreement and Southern Company subsequently received the remaining $75 million of the purchase price. The dispatch procedures in the revised operating agreement for the two jointly-owned coal units

at Plant Daniel resulted in Mississippi Power designating one of the two units as primary and the other as secondary in lieu of each company separately owning 100% of a single generating unit. Mississippi Power did not exercise an option to purchase its co-owner's ownership interest for $1 on January 15, 2024. The revised operating agreement did not have a material impact on Mississippi Power's financial statements. See Note 2 under "Mississippi Power – Integrated Resource Plan" for additional information on Plant Daniel.

Commitments

To supply a portion of the fuel requirements of the Southern Company system's electric generating plants, the Southern Company system has entered into various long-term commitments not recognized on the balance sheets for the procurement and delivery of

fossil fuel and, for Alabama Power and Georgia Power, nuclear fuel. The majority of the Registrants' fuel expense for the periods presented was purchased under long-term commitments. Each Registrant expects that a substantial amount of its future fuel needs will continue to be purchased under long-term commitments.

Georgia Power has commitments, in the form of capacity purchases, regarding a portion of a 5% interest in the original cost of Plant Vogtle Units 1 and 2 owned by MEAG Power that are in effect until the later of the retirement of the plant or the latest stated maturity date of MEAG Power's bonds issued to finance such ownership interest. The payments for capacity are required whether or not any capacity is available. Portions of the capacity payments made to MEAG Power for its Plant Vogtle Units 1 and 2 investment relate to costs in excess of Georgia Power's allowed investment for ratemaking purposes. The present value of these portions at the time of the disallowance was written off. Generally, the cost of such capacity is included in purchased power in Southern Company's statements of income and in purchased power, non-affiliates in Georgia Power's statements of income. Georgia Power's capacity payments related to this commitment totaled $3 million $4 million, $4 million $3 million, and $6 million $4 million in 2024, 2023, 2022, and 2021, 2022, respectively. At December 31, 2023 December 31, 2024, Georgia Power's estimated long-term obligations related to this commitment totaled $39 million $35 million, consisting of $4 million annually $3 million for 2024 and 2025, $2 million annually for 2026 through 2028, 2029, and $25 million $24 million thereafter.

See Note 9 for information regarding PPAs accounted for as leases.

Southern Company Gas has commitments for pipeline charges, storage capacity, and gas supply, including charges recoverable through natural gas cost recovery mechanisms or, alternatively, billed to marketers selling retail natural gas. Gas supply commitments include amounts for gas commodity purchases associated with Nicor Gas and SouthStar of 38 million mmBtu at floating gas prices calculated using forward natural gas prices at December 31, 2023 and valued at $98 million. Southern Company Gas provides guarantees to

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certain gas suppliers for certain of its subsidiaries in support of payment obligations. Southern Company Gas' expected future contractual obligations for pipeline charges, storage capacity, and gas supply that are not recognized on the balance sheets at December 31, 2023 were as follows:

	Pipeline Charges, Storage Capacity, and Gas Supply
	(in millions)
2024	$ 587
2025	432
2026	231
2027	148
2028	103
Thereafter	785
Total	$ 2,286

Guarantees

SCS may enter into various types of wholesale energy and natural gas contracts acting as an agent for the traditional electric operating companies and Southern Power. Under these agreements, each of the traditional electric operating companies and Southern Power may be jointly and severally liable. Accordingly, Southern Company has entered into keep-well agreements with each of the traditional electric operating companies to ensure they will not subsidize or be responsible for any costs, losses, liabilities, or damages resulting from the inclusion of Southern Power as a contracting party under these agreements.

Alabama Power has guaranteed a $100 million principal amount long-term bank loan SEGCO entered into in 2018 and subsequently extended and amended. Georgia Power has agreed to reimburse Alabama Power for the portion of such obligation corresponding to Georgia Power's proportionate ownership of SEGCO's stock if Alabama Power is called upon to make such payment under its guarantee. At December 31, 2023 December 31, 2024, the capitalization of SEGCO consisted of $69 million $56 million of equity and $100

million $80 million of long-term debt that matures in November 2024, 2025, on which the annual interest requirement is derived from a variable rate index. SEGCO had no short-term debt outstanding at December 31, 2023 December 31, 2024. See Note 7 under "SEGCO" for additional information.

As discussed in Note 9, Alabama Power and Georgia Power have entered into certain residual value guarantees related to railcar leases. leases, with Georgia Power's railcar leases terminating in June 2024.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Registrants generate revenues from a variety of sources, some of which are not accounted for as revenue from contracts with customers, such as leases, derivatives, and certain cost recovery mechanisms. Included in the wholesale electric revenues of the traditional electric operating companies and Southern Power are revenues associated with affiliate transactions. These revenues are generated through long-term PPAs or short-term energy sales made in accordance with the IIC, as approved by the FERC. Amounts related to these affiliate revenues are eliminated in consolidation for Southern Company. See Note 1 under "Affiliate Transactions" and "Revenues" for additional information on the revenue policies of the Registrants. information. See Notes 9 and 14 for additional information on revenue accounted for under lease and derivative accounting guidance, respectively.

The following table disaggregates revenue from contracts with customers for the periods presented:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
2023													
2024													
Operating revenues													
Operating revenues													
Operating revenues													

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	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
2022													
2023													
Operating revenues													
Operating revenues													
Operating revenues													
Retail electric revenues													
Retail electric revenues													
Retail electric revenues													
Residential													
Residential													
Residential													
Commercial													
Industrial													
Other													
Total retail electric revenues													
Natural gas distribution revenues													
Residential													
Residential													
Residential													
Commercial													
Transportation													
Industrial													
Other													
Total natural gas distribution revenues													
Wholesale electric revenues													
PPA energy revenues													
PPA energy revenues													
PPA energy revenues													
PPA capacity revenues													
Non-PPA revenues													
Total wholesale electric revenues													
Other natural gas revenues													
Gas marketing services													
Gas marketing services													
Gas marketing services													
Other natural gas revenues													
Other													
Total other natural gas revenues													

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Other revenues														
Total revenue from contracts with customers														
Other revenue sources[(a)]														
Other revenue sources[(*)]														
Total operating revenues														
Total operating revenues														
Total operating revenues														

COMBINED NOTES TO FINANCIAL STATEMENTS

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
2021													
2022													
Operating revenues													
Operating revenues													
Operating revenues													
Retail electric revenues													
Retail electric revenues													
Retail electric revenues													
Residential													
Residential													
Residential													
Commercial													
Industrial													
Other													
Total retail electric revenues													
Natural gas distribution revenues													
Residential													
Residential													
Residential													
Commercial													
Transportation													
Industrial													
Other													
Total natural gas distribution revenues													
Wholesale electric revenues													
PPA energy revenues													
PPA energy revenues													
PPA energy revenues													
PPA capacity revenues													
Non-PPA revenues													

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Total wholesale electric revenues
Other natural gas revenues
Wholesale gas services
Gas marketing services
Wholesale gas services
Gas marketing services
Wholesale gas services
Gas marketing services
Other natural gas revenues
Other
Total other natural gas revenues
Other revenues
Total revenue from contracts with customers
Other revenue sources(a)
Other adjustments(b)
Other revenue sources(*)
Total operating revenues

(a) (*) Other revenue sources relate to revenues from customers accounted for as derivatives and leases, alternative revenue programs at Southern Company Gas, and cost recovery mechanisms and revenues (including those related to fuel costs) that meet other scope exceptions for revenues from contracts with customers at the traditional electric operating companies.

(b) Other adjustments relate to the cost of Southern Company Gas' energy and risk management activities. Wholesale gas services revenues are presented net of the related costs of those activities on the statement of income. See Notes 15 and 16 under "Southern Company Gas" for information on the sale of Sequent and components of wholesale gas services' operating revenues, respectively.

COMBINED NOTES TO FINANCIAL STATEMENTS

Contract Balances

The following table reflects the closing balances of receivables, contract assets, and contract liabilities related to revenues from contracts with customers at December 31, 2023 December 31, 2024 and 2022: 2023:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Accounts Receivable													
At December 31, 2024													
At December 31, 2024													
At December 31, 2024													
At December 31, 2023													
Contract Assets													
At December 31, 2024													
At December 31, 2024													
At December 31, 2024													
At December 31, 2023													
Contract Liabilities													
At December 31, 2024													

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At December 31, 2024

At December 31, 2024

At December 31, 2023

At December 31, 2022

Contract Assets

At December 31, 2023

At December 31, 2023

At December 31, 2023

At December 31, 2022

Contract Liabilities

At December 31, 2023

At December 31, 2023

At December 31, 2023

At December 31, 2022

Contract assets for Georgia Power primarily relate to retail customer fixed bill programs, where the payment is contingent upon Georgia Power's continued performance and the customer's continued participation in the program over a one-year contract term, and unregulated service agreements, where payment is contingent on project completion. Contract liabilities for Georgia Power primarily relate to cash collections recognized in advance of revenue for unregulated service agreements. Southern Company Gas' contract assets relate to work performed on an energy efficiency enhancement and upgrade contract with the U.S. General Services Administration. Southern Company Gas receives cash advances from a third-party financial institution to fund work performed, of which approximately $59 $68 million had been received at December 31, 2023 December 31, 2024. These advances have been accounted for as long-term debt on the balance sheets. See Note 1 under "Affiliate Transactions" for additional information regarding the construction contract. At December 31, 2023 December 31, 2024 and 2022, 2023, Southern Company's unregulated distributed generation business had contract assets of $91 million $67 million and $65 million $91 million, respectively, and contract liabilities of $115 million $95 million and $32 $115 million, respectively, for outstanding performance obligations. obligations, all of which are expected to be satisfied within one year.

Revenues recognized in 2023 2024 and 2022, 2023, which were included in contract liabilities at December 31, 2023 and 2022, respectively, were $98 million and $36 million annually respectively, for Southern Company and immaterial for the other Registrants. Contract liabilities are primarily classified as current on the balance sheets as the corresponding revenues are generally expected to be recognized within one year.

Remaining Performance Obligations

The Subsidiary Registrants Southern Company's subsidiaries may enter into long-term contracts with customers in which revenues are recognized as performance obligations are satisfied over the contract term. For the traditional electric operating companies and Southern Power, these contracts primarily relate to PPAs whereby electricity and generation capacity are provided to a customer. The revenue recognized for the delivery of electricity is variable; however, certain PPAs include a fixed payment for fixed generation capacity over the term of the contract. For Southern Company Gas, these contracts primarily relate to the U.S. General Services Administration contract described above. Southern Company's unregulated distributed generation business also has partially satisfied performance obligations related to certain fixed price contracts. Revenues from contracts with customers related to these performance obligations remaining at December 31, 2023 are expected to be recognized as follows:

	2024	2025	2026	2027	2028	Thereafter
			(in millions)			
Southern Company	$ 940	$ 552	$ 338	$ 332	$ 323	$ 2,045
Alabama Power	23	9	—	—	—	—
Georgia Power	73	41	14	15	15	9
Mississippi Power	60	63	66	69	73	—
Southern Power	379	301	299	306	297	2,041
Southern Company Gas	26	—	—	—	—	—

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satisfied performance obligations related to certain fixed price contracts. Revenues from contracts with customers related to these performance obligations remaining at December 31, 2024 are expected to be recognized as follows:

	2025	2026	2027	2028	2029	Thereafter
			(in millions)			
Southern Company	$ 937	$ 427	$ 371	$ 343	$ 309	$ 2,636
Alabama Power	11	—	—	—	—	—
Georgia Power	69	30	15	16	2	27
Mississippi Power(*)	63	66	69	73	—	—
Southern Power(*)	340	331	340	316	312	2,609
Southern Company Gas	2	—	—	—	—	—

(*) Includes performance obligations related to affiliate PPAs with Georgia Power. See Note 1 under "Affiliate Transactions" for additional information.

5. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment is stated at original cost or fair value at acquisition, as appropriate, less any regulatory disallowances and impairments. Original cost may include: materials; labor; minor items of property; appropriate administrative and general costs; payroll-related costs such as taxes, pensions, and other benefits; and the interest capitalized and/or cost of equity funds used during construction.

The Registrants' property, plant, and equipment in service consisted of the following at December 31, 2023 December 31, 2024 and 2022: 2023:

At December 31, 2024:	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
			(in millions)			
Electric utilities:						
Generation	**$ 61,292**	**$ 16,801**	**$ 26,089**	**$ 2,946**	**$ 14,920**	**$ —**
Transmission	**16,280**	**6,449**	**8,800**	**989**	**—**	**—**
Distribution	**28,678**	**10,373**	**16,887**	**1,418**	**—**	**—**
General/other	**6,547**	**2,878**	**3,260**	**344**	**41**	**—**
Electric utilities' plant in service	**112,797**	**36,501**	**55,036**	**5,697**	**14,961**	**—**
Southern Company Gas:						
Natural gas transportation and distribution	**18,896**	**—**	**—**	**—**	**—**	**18,896**
Storage facilities	**1,748**	**—**	**—**	**—**	**—**	**1,748**
Other	**1,694**	**—**	**—**	**—**	**—**	**1,694**
Southern Company Gas plant in service	**22,338**	**—**	**—**	**—**	**—**	**22,338**
Other plant in service	**2,008**	**—**	**—**	**—**	**—**	**—**
Total plant in service	**$ 137,143**	**$ 36,501**	**$ 55,036**	**$ 5,697**	**$ 14,961**	**$ 22,338**

COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2023:	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
			(in millions)			
Electric utilities:						
Generation	$ 57,325	$ 16,584	$ 22,587	$ 2,909	$ 14,649	$ —
Transmission	15,561	6,152	8,402	966	—	—
Distribution	26,482	9,775	15,380	1,327	—	—
General/other	6,305	2,918	3,001	321	41	—
Electric utilities' plant in service	105,673	35,429	49,370	5,523	14,690	—
Southern Company Gas:						
Natural gas transportation and distribution	17,798	—	—	—	—	17,798

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Storage facilities	1,565	—	—	—	—	1,565
Other	1,477	—	—	—	—	1,477
Southern Company Gas plant in service	20,840	—	—	—	—	20,840
Other plant in service	1,915	—	—	—	—	—
Total plant in service	$ 128,428	$ 35,429	$ 49,370	$ 5,523	$ 14,690	$ 20,840

At December 31, 2022:	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
			(in millions)			
Electric utilities:						
Generation	$ 51,756	$ 15,920	$ 17,755	$ 2,826	$ 14,619	$ —
Transmission	14,201	5,658	7,576	927	—	—
Distribution	24,200	9,154	13,819	1,228	—	—
General/other	5,806	2,740	2,729	273	39	—
Electric utilities' plant in service	95,963	33,472	41,879	5,254	14,658	—
Southern Company Gas:						
Natural gas transportation and distribution	16,810	—	—	—	—	16,810
Storage facilities	1,553	—	—	—	—	1,553
Other	1,360	—	—	—	—	1,360
Southern Company Gas plant in service	19,723	—	—	—	—	19,723
Other plant in service	1,843	—	—	—	—	—
Total plant in service	$ 117,529	$ 33,472	$ 41,879	$ 5,254	$ 14,658	$ 19,723

The cost of replacements of property, exclusive of minor items of property, is capitalized. The cost of maintenance, repairs, and replacement of minor items of property is charged to other operations and maintenance expenses as incurred or performed with the exception of nuclear refueling costs and certain maintenance costs including those described below.

In accordance with orders from their respective state PSCs, Alabama Power and Georgia Power defer nuclear refueling outage operations and maintenance expenses to a regulatory asset when the charges are incurred. Alabama Power amortizes the costs over a subsequent 18-month period with Plant Farley's fall outage cost amortization beginning in January of the following year and spring outage cost amortization beginning in July of the same year. Georgia Power amortizes its costs over each unit's

COMBINED NOTES TO FINANCIAL STATEMENTS

operating cycle, or 18 months for Plant Vogtle Units 1 2, and 3 through 4 and 24 months for Plant Hatch Units 1 and 2. Georgia Power's amortization period begins the month the refueling outage starts.

A portion of Mississippi Power's railway track maintenance costs is charged to fuel stock and recovered through Mississippi Power's fuel clause.

The portion of Southern Company Gas' non-working gas used to maintain the structural integrity of natural gas storage facilities that is considered to be non-recoverable is depreciated, while the recoverable or retained portion is not depreciated.

See Note 9 for information on finance lease right-of-use (ROU) assets, net, which are included in property, plant, and equipment.

The Registrants have deferred certain implementation costs related to cloud hosting arrangements. At December 31, 2023 December 31, 2024 and 2022, 2023, deferred cloud implementation costs, net of amortization, which are generally included in other deferred charges and assets on the Registrants' balance sheets, are were as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Deferred cloud implementation costs, net:													
At December 31, 2024													
At December 31, 2024													
At December 31, 2024													
At December 31, 2023													
At December 31, 2023													

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At December 31, 2023
At December 31, 2022

Once a hosted software is placed into service, the related deferred costs are amortized on a straight-line basis over the remaining expected hosting arrangement term, including any renewal options that are reasonably certain of exercise. The amortization is reflected with the associated cloud hosting fees, which are generally reflected in other operations and maintenance expenses on

the Registrants' statements of income. In 2023, amortization Amortization of deferred cloud implementation costs recognized in 2024, 2023, and 2022 was $46 million immaterial for Mississippi Power, Southern Company, $11 million for Alabama Power, $19 million for Georgia Power, $8 million for and Southern Company Gas and immaterial was as follows for the other Registrants. In 2022, amortization of deferred cloud implementation costs recognized was $29 million for Southern Company, $8 million for Alabama Power, $12 million for Georgia Power, and immaterial for the other Registrants. In 2021, amortization from deferred cloud implementation costs recognized was immaterial for all Registrants. Registrants:

	Southern Company	Alabama Power	Georgia Power
		(in millions)	
2024	**$ 56**	**$ 17**	**$ 22**
2023	46	11	19
2022	29	8	12

See Note 2 under "Regulatory Assets and Liabilities" and "Alabama Power – Software Accounting Order" for information on deferrals of certain other operations and maintenance costs associated with software and cloud computing projects by the traditional electric operating companies and natural gas distribution utilities, as authorized by their respective state PSCs or applicable state regulatory agencies.

Depreciation and Amortization

The traditional electric operating companies' and Southern Company Gas' depreciation of the original cost of utility plant in service is provided primarily by using composite straight-line rates. The approximate rates for 2024, 2023, and 2022 and 2021 are were as follows:

		2023	2022		2021		
		2024	2023		2022		
Alabama Power	Alabama Power	**4.1 %**	2.7 %	2.7 %	Alabama Power	**4.2 %**	4.1 %	2.7 %
Georgia Power	Georgia Power	**3.8 %**	3.3 %	3.3 %	Georgia Power	**3.4 %**	3.8 %	3.3 %
Mississippi Power	Mississippi Power	**3.4 %**	3.4 %	3.6 %	Mississippi Power	**3.3 %**	3.4 %	3.4 %
Southern Company Gas	Southern Company Gas	**2.7 %**	2.7 %	2.8 %	Southern Company Gas	**2.9 %**	2.7 %	2.7 %

Depreciation studies are conducted periodically to update the composite rates. These studies are filed with the respective state PSC and/or other applicable state and federal regulatory agencies for the traditional electric operating companies and the natural gas distribution utilities. Effective January 1, 2023, Alabama Power's and Georgia Power's depreciation rates were revised. On October 25, 2024, Mississippi Power filed an updated depreciation study with the Mississippi PSC requesting an $11 million increase in total annual depreciation. On February 13, 2025, Mississippi Power entered into a stipulation with the MPUS to include certain modifications to the interim net salvage rates and increases to certain service lives. The stipulation requests an $8 million increase in total annual depreciation. The ultimate outcome of this matter cannot be determined at this time. See Note 2 for additional information.

When property, plant, and equipment subject to composite depreciation is retired or otherwise disposed of in the normal course of business, its original cost, together with the cost of removal, less salvage, is charged to accumulated depreciation. For other property dispositions, the applicable cost and accumulated depreciation are removed from the balance sheet accounts, and a gain or loss is recognized. Minor items of property included in the original cost of the asset are retired when the related property unit is retired.

At December 31, 2023 December 31, 2024 and 2022, 2023, accumulated depreciation for Southern Company and Southern Company Gas consisted of utility plant in service totaling $36.6 billion $38.9 billion and $34.3 billion $36.6 billion, respectively, for Southern Company and $5.3 billion $5.6 billion and $5.1 billion $5.3 billion, respectively, for Southern Company Gas, as well as other plant in service totaling $1.1 billion $1.2 billion and $1.0 billion $1.1 billion, respectively, for Southern Company and $210 million $252 million and $184 million $210 million, respectively, for Southern Company Gas. Other plant in service includes the non-utility assets of Southern Company Gas, as well as, for Southern Company, certain other non-utility subsidiaries. Depreciation of the original cost of other plant in service is provided primarily on a straight-line basis over estimated useful lives. Useful lives for Southern Company Gas's non-utility assets range from five to 12 10 years for transportation equipment, 30five to 75 40 years for storage facilities, and up to 75 78 years for other assets. Useful lives for the assets of Southern Company's other non-utility subsidiaries range up to 30 40 years.

Southern Power

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Southern Power applies component depreciation, where depreciation is computed principally by the straight-line method over the estimated useful life of the asset. Certain of Southern Power's generation assets related to natural gas-fired facilities are depreciated on a units-of-production basis, using hours or starts, to better match outage and maintenance costs to the usage of, and

revenues from, these assets. The primary assets in Southern Power's property, plant, and equipment are generating facilities, which generally have estimated useful lives as follows:

Southern Power Generating Facility	Useful life
Natural gas	Up to 50 years
Solar	Up to 35 years
Wind	Up to 35 years

When Southern Power's depreciable property, plant, and equipment is retired, or otherwise disposed of in the normal course of business, the applicable cost and accumulated depreciation is removed and a gain or loss is recognized in the statements of income. Southern Power reviews its estimated useful lives and salvage values on an ongoing basis. The results of these reviews could result in changes which could have a material impact on Southern Power's net income.

Joint Ownership Agreements

At December 31, 2023 December 31, 2024, the Registrants' percentage ownership and investment (exclusive of nuclear fuel) in jointly-owned facilities in commercial operation were as follows:

Facility (Type)	Facility (Type)	Percent Ownership	Plant in Service	Accumulated Depreciation	CWIP	Facility (Type)	Percent Ownership	Plant in Service	Accumulated Depreciation	CWIP
			(in millions)							
Alabama Power										
Greene County (natural gas) Units 1 and 2										
Greene County (natural gas) Units 1 and 2										
Greene County (natural gas) Units 1 and 2										
Plant Greene County (natural gas) Units 1 and 2										
Plant Greene County (natural gas) Units 1 and 2										
Plant Greene County (natural gas) Units 1 and 2										
Plant Miller (coal) Units 1 and 2										
Georgia Power										
Georgia Power										
Georgia Power										
Plant Hatch (nuclear) Units 1 and 2										
Plant Hatch (nuclear) Units 1 and 2										
Plant Hatch (nuclear) Units 1 and 2										
Plant Vogtle (nuclear) Units 1 and 2										
Plant Vogtle (nuclear) Units 3 and 4										
Plant Scherer (coal) Units 1 and 2										
Plant Scherer (coal) Unit 3										
Rocky Mountain (pumped storage)										
Mississippi Power										
Mississippi Power										
Mississippi Power										

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Greene County (natural gas) Units 1 and 2	
Greene County (natural gas) Units 1 and 2	
Greene County (natural gas) Units 1 and 2	
Plant Greene County (natural gas) Units 1 and 2	
Plant Greene County (natural gas) Units 1 and 2	
Plant Greene County (natural gas) Units 1 and 2	
Plant Daniel (coal) Units 1 and 2	
Southern Company Gas	
Southern Company Gas	
Southern Company Gas	
Dalton Pipeline (natural gas pipeline)	
Dalton Pipeline (natural gas pipeline)	
Dalton Pipeline (natural gas pipeline)	

(a) Jointly owned by Alabama Power and Mississippi Power and operated and maintained by Alabama Power.

(b) Jointly owned with PowerSouth and operated and maintained by Alabama Power.

(c) Georgia Power owns undivided interests in Plants Hatch, Vogtle, and Scherer in varying amounts jointly with one or more of the following entities: OPC, MEAG Power, Dalton, FP&L, and JEA. Jacksonville Electric Authority. Georgia Power has been contracted to operate and maintain the plants as agent for the co-owners and is jointly and severally liable for third party third-party claims related to these plants.

(d) Unit 4 remains under construction. See Note 2 under "Georgia Power – Nuclear Construction" for additional information.

(e) Jointly owned with OPC, which is the operator of the plant.

(f) (e) Jointly owned by with FP&L and Mississippi Power. &L. In accordance with the operating agreement, Mississippi Power acts as FP&L's agent with respect to the operation and maintenance of these units. See Note 3 2 under "Other Matters – Mississippi "Mississippi Power – Plant Daniel" for additional information. information on Mississippi Power's agreement with FP&L to acquire FP&L's 50% ownership interest in Plant Daniel Units 1 and 2.

(g) (f) Jointly owned with The Williams Companies, Inc., the Dalton Pipeline is a 115-mile natural gas pipeline that serves as an extension of the Transcontinental Gas Pipe Line Company, LLC pipeline system into northwest Georgia. Southern Company Gas leases its 50% undivided ownership for approximately $26 million annually through 2042. The lessee is responsible for maintaining the pipeline during the lease term and for providing service to transportation customers under its FERC-regulated tariff.

The Registrants' proportionate share of their jointly-owned facility operating expenses is included in the corresponding operating expenses in the statements of income and each Registrant is responsible for providing its own financing.

Assets Subject to Lien

Mississippi Power provides retail service to its largest retail customer, Chevron Products Company (Chevron), at its refinery in Pascagoula, Mississippi through at least 2038 in accordance with agreements approved by the Mississippi PSC. The agreements grant Chevron a security interest in the co-generation assets located at the refinery and owned by Mississippi Power, with a lease receivable balance of $147 million $139 million at December 31, 2023 December 31, 2024, that is exercisable upon the occurrence of (i) certain bankruptcy events or (ii) other events of default coupled with specific reductions in steam output at the facility and a downgrade of Mississippi Power's credit rating to below investment grade by two of the three rating agencies. See Note 9 under "Lessor" for additional information.

See Note 8 under "Long-term Debt" for information regarding debt secured by certain assets of Georgia Power and Southern Company Gas.

6. ASSET RETIREMENT OBLIGATIONS

AROs are computed as the present value of the estimated costs for an asset's future retirement and are recorded in the period in which the liability is incurred. The estimated costs are capitalized as part of the related long-lived asset and depreciated over the asset's useful life. In the absence of quoted market prices, AROs are estimated using present value techniques in which estimates of future cash outlays associated with the asset retirements are discounted using a credit-adjusted risk-free rate. Estimates of the timing and amounts of future cash outlays are based on projections of when and how the assets will be retired and the cost of future removal activities. Each traditional electric operating company and natural gas distribution utility has received accounting guidance from its state PSC or applicable state regulatory agency allowing the continued accrual or recovery of other retirement costs for long-lived assets that it does not have a legal obligation to retire. Accordingly, the accumulated removal costs for these obligations are reflected in the balance sheets as regulatory liabilities and amounts to be recovered are reflected in the balance sheets as regulatory assets.

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The ARO liabilities for the traditional electric operating companies primarily relate to facilities that are subject to the CCR Rule and the related state rules, principally ash ponds. surface impoundments. In addition, Alabama Power and Georgia Power have retirement obligations related to the decommissioning of nuclear facilities (Alabama Power's Plant Farley and Georgia Power's ownership interests in Plant Hatch and Plant Vogtle Units 1 through 3) Vogtle). See "Nuclear Decommissioning" herein for additional information. Other significant AROs include various landfill sites and asbestos removal for Alabama Power, Georgia Power, and Mississippi Power and gypsum cells and mine reclamation for Mississippi Power. The ARO liability for Southern Power primarily relates to its solar and wind facilities, which are located on long-term land leases requiring the restoration of land at the end of the lease.

The traditional electric operating companies and Southern Company Gas also have identified other retirement obligations, such as obligations related to certain electric transmission and distribution facilities, certain asbestos-containing material within long-term assets not subject to ongoing repair and maintenance activities, certain wireless communication towers, the disposal of polychlorinated biphenyls in certain transformers, leasehold improvements, equipment on customer property, and property associated with the Southern Company system's rail lines and natural gas pipelines. However, liabilities for the removal of these assets have not been recorded because the settlement timing for certain retirement obligations related to these assets is indeterminable and, therefore, the fair value of the retirement obligations cannot be reasonably estimated. A liability for these retirement obligations will be recognized when sufficient information becomes available to support a reasonable estimation of the ARO.

Southern Company and the traditional electric operating companies will continue to recognize in their respective statements of income allowed removal costs in accordance with regulatory treatment. Any differences between costs recognized in accordance with accounting standards related to asset retirement and environmental obligations and those reflected in rates are recognized as either a regulatory asset or liability in the balance sheets as ordered by the various state PSCs.

Details of the AROs included in the balance sheets are as follows:

	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power(*)
			(in millions)		
Balance at December 31, 2021	$ 11,687	$ 4,334	$ 6,824	$ 190	$ 131
Liabilities incurred	36	—	35	—	—
Liabilities settled	(455)	(205)	(212)	(20)	—
Accretion expense	406	158	231	6	6
Cash flow revisions	(834)	—	(844)	3	7
Balance at December 31, 2022	**$ 10,840**	**$ 4,287**	**$ 6,034**	**$ 179**	**$ 144**
Liabilities incurred	**90**	**—**	**90**	**—**	**—**
Liabilities settled	**(617)**	**(270)**	**(304)**	**(18)**	**—**
Accretion expense	**403**	**156**	**230**	**5**	**6**
Cash flow revisions	**(399)**	**(15)**	**(385)**	**2**	**—**
Balance at December 31, 2023	**$ 10,317**	**$ 4,158**	**$ 5,665**	**$ 168**	**$ 150**

(*) Included in other deferred credits and liabilities on Southern Power's consolidated balance sheets.

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Details of the AROs included in the balance sheets are as follows:

	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power(*)
			(in millions)		
Balance at December 31, 2022	$ 10,840	$ 4,287	$ 6,034	$ 179	$ 144
Liabilities incurred	90	—	90	—	—
Liabilities settled	(617)	(270)	(304)	(18)	—
Accretion expense	403	156	230	5	6
Cash flow revisions	(399)	(15)	(385)	2	—
Balance at December 31, 2023	$ 10,317	$ 4,158	$ 5,665	$ 168	$ 150
Liabilities incurred	**130**	**8**	**120**	**—**	**2**
Liabilities settled	**(566)**	**(254)**	**(270)**	**(17)**	**—**
Accretion expense	**400**	**153**	**232**	**5**	**7**
Cash flow revisions	**(347)**	**(7)**	**(332)**	**(8)**	**—**
Balance at December 31, 2024	**$ 9,934**	**$ 4,058**	**$ 5,415**	**$ 148**	**$ 159**

(*) Included in other deferred credits and liabilities on Southern Power's consolidated balance sheets.

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In December 2022, Georgia June 2023, Alabama Power recorded completed an updated decommissioning cost site study for Plant Farley. The estimated cost of decommissioning based on the study resulted in a net decrease in Alabama Power's ARO liability of approximately $780 million to its AROs related to the CCR Rule and the related state rule resulting from changes in estimates, including lower future inflation rates, higher discount rates, and timing of closure activities, as well as a change in closure methodology $15 million. See "Nuclear Decommissioning" herein for one ash pond as approved in Georgia Power's 2022 IRP. additional information.

Following initial criticality for Plant Vogtle Unit 3 and 4 on March 6, 2023 and February 14, 2024, respectively, Georgia Power recorded AROs of approximately $90 million. Subsequent to December 31, 2023, Plant Vogtle Unit 4 achieved initial criticality, which will result in Georgia Power recording AROs of approximately million and $118 million, during the first quarter 2024. respectively. See "Nuclear Decommissioning" herein and Note 2 under "Georgia Power – Nuclear Construction" for additional information.

In September 2023 and November 2023, Georgia Power recorded net decreases of approximately $175 million and $210 million, respectively, to its AROs related to the CCR Rule and the related state rule resulting from changes in estimates, including lower future inflation rates and the timing of closure activities.

In June 2023, Alabama September 2024, Georgia Power completed an updated decommissioning cost site study studies for Plant Farley. Plants Hatch and Vogtle Units 1 through 4. The estimated cost of decommissioning based on the study studies resulted in a decrease in Alabama Georgia Power's ARO liability of approximately $15 $389 million. See "Nuclear Decommissioning" herein for additional information.

In November 2024, Georgia Power recorded a net increase of approximately $60 million to its AROs related to the CCR Rule and the related state rule resulting from changes in estimates, including higher future inflation rates and the timing of closure activities.

The cost estimates for AROs related to the disposal of CCR are based on information at December 31, 2023 December 31, 2024 using various assumptions related to closure and post-closure costs, timing of future cash outlays, inflation and discount rates, and the potential methods for complying with the CCR Rule and the related state rules. The traditional electric operating companies have periodically updated, and expect to continue periodically updating, their related cost estimates and ARO liabilities for each CCR unit as additional information related to these assumptions becomes available. Some of these updates have been, and future updates may be, material. The cost estimates for Alabama Power are based on closure-in-place for all ash ponds. surface impoundments. The cost estimates for Georgia Power and Mississippi Power are based on a combination of closure-in-place for some ash ponds surface impoundments and closure by removal for others. Additionally, the closure designs and plans in the States of Alabama and Georgia are subject to approval by environmental regulatory agencies. Absent continued recovery of ARO costs through regulated rates, results of operations, cash flows, and financial condition for Southern Company and the traditional electric operating companies could be materially impacted. The ultimate outcome of these matters cannot be determined at this time. See Note 3 under "General Litigation Matters – Alabama Power" for additional information.

Nuclear Decommissioning

The NRC requires licensees of commercial nuclear power reactors to establish a plan for providing reasonable assurance of funds for future decommissioning. Alabama Power and Georgia Power have external trust funds (Funds) to comply with the NRC's regulations. Use of the Funds is restricted to nuclear decommissioning activities. The Funds are managed and invested in accordance with applicable requirements of various regulatory bodies, including the NRC, the FERC, and state PSCs, as well as the IRS. While Alabama Power and Georgia Power are allowed to prescribe an overall investment policy to the Funds' managers,

neither Southern Company nor its subsidiaries or affiliates are allowed to engage in the day-to-day management of the Funds or to mandate individual investment decisions. Day-to-day management of the investments in the Funds is delegated to unrelated third-party managers with oversight by the management of Alabama Power and Georgia Power. The Funds' managers are authorized, within certain investment guidelines, to actively buy and sell securities at their own discretion in order to maximize the return on the Funds' investments. The Funds are invested in a tax-efficient manner in a diversified mix of equity and fixed income securities and are reported as trading securities.

Alabama Power and Georgia Power record the investment securities held in the Funds at fair value, as disclosed in Note 13, as management believes that fair value best represents the nature of the Funds. Gains and losses, whether realized or unrealized, are recorded in the regulatory liability for AROs in the balance sheets and are not included in net income or OCI. Fair value adjustments and realized gains and losses are determined on a specific identification basis.

Investment securities in the Funds for December 31, 2023 at December 31, 2024 and 2022 2023 were as follows:

	Southern Company	Alabama Power	Georgia Power
		(in millions)	
At December 31, 2023:			
Equity securities	$ 1,288	$ 796	$ 492
Debt securities	895	277	618
Other securities	239	186	53
Total investment securities in the Funds	$ 2,422	$ 1,259	$ 1,163
At December 31, 2022:			

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Equity securities	$	1,095	$ 690	$ 405
Debt securities		838	267	571
Other securities		210	168	42
Total investment securities in the Funds(*)	$	2,143	$ 1,125	$ 1,018

(*) For Southern Company and Georgia Power, these amounts include investment securities pledged to creditors and collateral received and excludes payables related to a securities lending program Georgia Power's Funds previously participated in through the managers of the Funds. Under this program, Georgia Power's Funds' investment securities were loaned to institutional investors for a fee. Securities loaned were fully collateralized by cash, letters of credit, and/or securities issued or guaranteed by the U.S. government or its agencies or instrumentalities. At December 31, 2022, approximately $35 million of the fair market value of Georgia Power's Funds' securities were on loan and pledged to creditors under the Funds' managers' securities lending program. At December 31, 2022, the fair value of the collateral received was approximately $36 million and could only be sold by the borrower upon the return of the loaned securities. The collateral received was treated as a non-cash item in the statements of cash flows.

	Southern Company	Alabama Power	Georgia Power
		(in millions)	
At December 31, 2024:			
Equity securities	**$ 1,413**	**$ 848**	**$ 565**
Debt securities	**976**	**335**	**641**
Other securities	**232**	**202**	**30**
Total investment securities in the Funds	**$ 2,621**	**$ 1,385**	**$ 1,236**
At December 31, 2023:			
Equity securities	$ 1,288	$ 796	$ 492
Debt securities	895	277	618
Other securities	239	186	53
Total investment securities in the Funds	$ 2,422	$ 1,259	$ 1,163

These amounts exclude receivables related to investment income and pending investment sales and payables related to pending investment purchases.

The fair value increases (decreases) of the Funds, including unrealized gains (losses) and reinvested interest and dividends and excluding the Funds' expenses, for 2024, 2023, 2022, and 2021 2022 are shown in the table below.

	Southern Company	Southern Company	Alabama Power	Georgia Power	Southern Company	Alabama Power	Georgia Power
			(in millions)				
Fair value increases (decreases)							
2023							
2023							
2024							
2024							
2024							
2023							
2022							
2021							
Unrealized gains (losses)							
Unrealized gains (losses)							
Unrealized gains (losses)							
At December 31, 2023							
At December 31, 2023							
At December 31, 2024							
At December 31, 2024							
At December 31, 2024							
At December 31, 2023							
At December 31, 2022							
At December 31, 2021							

The investment securities held in the Funds continue to be managed with a long-term focus. Accordingly, all purchases and sales within the Funds are presented separately in the statements of cash flows as investing cash flows, consistent with the nature of the securities and purpose for which the securities were acquired.

For Alabama Power, approximately $12 million and $13 million at December 31, 2024 and $14 million at December 31, 2023 and 2022, 2023, respectively, previously recorded in internal reserves is being transferred into the Funds through 2040 as approved by the Alabama PSC.

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The NRC's minimum external funding requirements are based on a generic estimate of the cost to decommission only the radioactive portions of a nuclear unit based on the size and type of reactor. Alabama Power and Georgia Power have filed plans

with the NRC designed to ensure that, over time, the deposits and earnings of the Funds will provide the minimum funding amounts prescribed by the NRC.

At December 31, 2023 December 31, 2024 and 2022, 2023, the accumulated provisions for the external decommissioning trust funds were as follows:

	2023 2024	2022 2023
	(in millions)	
Alabama Power		
Plant Farley		
Plant Farley		
Plant Farley		
Georgia Power		
Georgia Power		
Georgia Power		
Plant Hatch		
Plant Hatch		
Plant Hatch		
Plant Vogtle Units 1 and 2		
Plant Vogtle Units 3 and 4		
Total		

Site study cost is the estimate to decommission a specific facility as of the site study year. The decommissioning cost estimates are based on removal of the plant from service and prompt dismantlement. The actual decommissioning costs may vary from these estimates because of changes in the assumed date of decommissioning, changes in NRC requirements, or changes in the assumptions used in making these estimates. The estimated costs of decommissioning at December 31, 2023 December 31, 2024 based on the most current studies were as follows:

	Alabama Power		Alabama Power		Georgia Power			Alabama Power		Georgia Power		
	Plant Farley		Plant Farley		Plant Hatch(*)		Plant Vogtle Units 1 and 2(*)	Plant Vogtle Unit 3(*)		Plant Farley	Plant Hatch(*)	Plant Vogtle Units 1 and 2(*)	Plant Vogtle Unit 3 and 4(*)
Most current study year	Most current study year	2023			2021		2020	Most current study year	2023		2024		
Decommissioning periods:													
Beginning year													
Beginning year													
Beginning year		2037		2034		2047		2063	2037		2034	2047	2062
Completion year	Completion year	2087		2075		2079		2074	Completion year	2087	2088	2092	2074
							(in millions)						
Site study costs:													

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Radiated structures	
Radiated structures	
Radiated structures	
Spent fuel management	
Non-radiated structures	
Total site study costs	

(*) Based on Georgia Power's ownership interests.

For ratemaking purposes, Alabama Power's decommissioning costs are based on the site study and Georgia Power's decommissioning costs are based on the NRC generic estimate to decommission the radioactive portion of the facilities and the site study estimate for spent fuel management. Significant assumptions used to determine these costs for ratemaking were an estimated inflation rate of 4.5% for Plant Farley, 2.5% for Plants Hatch and Vogtle Units 1 and 2, and 2.4% 2.3% for Plant Vogtle Unit Units 3 and 4 and an estimated trust earnings rate of 7.0% for Plant Farley, 4.5% for Plants Hatch and Vogtle Units 1 and 2, and 4.4% 4.3% for Plant Vogtle Unit 3. Units 3 and 4.

Amounts previously contributed to the Funds for Plant Farley are currently projected to be adequate to meet the decommissioning obligations. Alabama Power's site-specific estimates of decommissioning costs for Plant Farley are updated every five years. The next site study for Alabama Power is expected to be completed in 2028. Projections of funds are reviewed with the Alabama PSC to ensure that, over time, the deposits and earnings of the Funds will provide adequate funding to cover the site-specific costs. If necessary, Alabama Power would seek the Alabama PSC's approval to address any changes in a manner consistent with NRC and other applicable requirements.

Under the 2019 ARP, Georgia Power's annual decommissioning cost for ratemaking in 2021 and 2022 was a total of $4 million for Plant Hatch and Plant Vogtle Units 1 and 2. Effective January 1, 2023, as approved in the 2022 ARP, there is no annual decommissioning cost for ratemaking for Plant Hatch and Plant Vogtle Units 1 and 2. Any funding amount required by the NRC during the period covered by the 2022 ARP will be deferred to a regulatory asset and recovery is expected to be determined in Georgia Power's next base rate case. See Note 2 under "Georgia Power – Rate Plans – 2022 ARP" for additional information. Effective August 1, 2023, as approved under the Plant Vogtle Unit 3 and Common Facilities rate proceeding, Georgia Power's

COMBINED NOTES TO FINANCIAL STATEMENTS

Effective August 1, 2023, as approved under the Plant Vogtle Unit 3 and Common Facilities rate proceeding, Georgia Power's annual decommissioning cost for ratemaking is $8 million for Plant Vogtle Unit 3. Effective May 1, 2024, as approved under the Prudency Stipulation, Georgia Power's annual decommissioning cost for ratemaking is $8 million for Plant Vogtle Unit 4. See Note 2 under "Georgia Power – Nuclear Construction – Regulatory Matters" for additional information.

7. CONSOLIDATED ENTITIES AND EQUITY METHOD INVESTMENTS

The Registrants may hold ownership interests in a number of business ventures with varying ownership structures. Partnership interests and other variable interests are evaluated to determine if each entity is a VIE. If a venture is a VIE for which a Registrant is the primary beneficiary, the assets, liabilities, and results of operations of the entity are consolidated. The Registrants reassess the conclusion as to whether an entity is a VIE upon certain occurrences, which are deemed reconsideration events.

For entities that are not determined to be VIEs, the Registrants evaluate whether they have control or significant influence over the investee to determine the appropriate consolidation and presentation. Generally, entities under the control of a Registrant are consolidated, and entities over which a Registrant can exert significant influence, but which a Registrant does not control, are accounted for under the equity method of accounting.

Investments accounted for under the equity method are recorded within equity investments in unconsolidated subsidiaries in the balance sheets and, for Southern Company and Southern Company Gas, the equity income is recorded within earnings from equity method investments in the statements of income. See "SEGCO" and "Southern Company Gas" herein for additional information.

Southern Company

At December 31, 2023 December 31, 2024 and 2022, 2023, Southern Holdings had equity method investments totaling $126 million $128 million and $112 million $126 million, respectively, primarily related to investments in venture capital funds focused on energy and utility investments. Earnings Earnings/losses from these investments were immaterial for all periods presented.

SEGCO

Alabama Power and Georgia Power own equally all of the outstanding capital stock of SEGCO, which owns electric generating units at Plant Gaston with a total rated capacity of 1,020 MWs, as well as associated transmission facilities. Retirement of SEGCO's generating units is currently expected to occur by December 31, 2028. However, Alabama Power, in conjunction with Georgia Power, is evaluating extending the operation of Plant Gaston Units 1 through 4 beyond the indicated retirement date. See Note 2 under "Georgia Power – Integrated Resource Plans" Plans – 2025 IRP" for additional information. Alabama Power and Georgia Power account for SEGCO using the equity method; Southern Company consolidates SEGCO. The capacity of these units is sold equally to Alabama Power and Georgia Power. Alabama Power and Georgia Power make payments sufficient to provide for the operating expenses, taxes, interest expense, and a an ROE. The share of purchased power included in purchased power, affiliates in the statements of income totaled $115 million in 2024, $112 million in 2023, and $124 million in 2022 and $75 million in 2021 for Alabama Power and $118 million in 2024, $115 million in 2023, and $127 million in 2022 and $77 million in 2021 for Georgia Power.

SEGCO paid dividends of $20 million in 2024, $25 million in 2023, $14 million in 2022, and $14 million in 2021, 2022, one half of which were paid to each of Alabama Power and Georgia Power. In addition, Alabama Power and Georgia Power each recognize 50% of SEGCO's net income.

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Alabama Power, which owns and operates a generating unit adjacent to the SEGCO generating units, has a joint ownership agreement with SEGCO for the ownership of an associated gas pipeline. Alabama Power owns 14% of the pipeline with the remaining 86% owned by SEGCO.

See Note 3 under "Guarantees" for additional information regarding guarantees of Alabama Power and Georgia Power related to SEGCO.

Southern Power

Variable Interest Entities

Southern Power has certain subsidiaries that are determined to be VIEs. Southern Power is considered the primary beneficiary of these VIEs because it controls the most significant activities of the VIEs, including operating and maintaining the respective assets, and has the obligation to absorb expected losses of these VIEs to the extent of its equity interests.

SP Solar and SP Wind

SP Solar is owned by Southern Power and a limited partner. A wholly-owned subsidiary of Southern Power is the general partner and holds a 1% ownership interest, and another wholly-owned subsidiary of Southern Power owns a 66% ownership interest. The

limited partner holds the remaining 33% noncontrolling interest. SP Solar qualifies as a VIE since the arrangement is structured as a limited partnership and the 33% limited partner does not have substantive kick-out rights against the general partner.

At December 31, 2023 December 31, 2024 and 2022, 2023, SP Solar had total assets of $5.6 billion $5.4 billion and $5.9 billion $5.6 billion, respectively, total liabilities of $0.4 billion $372 million and $399 million, respectively, and noncontrolling interests of $1.0 billion and $1.1 billion, respectively. . Cash distributions from SP Solar are allocated 67% to Southern Power and 33% to the limited partner in accordance with their partnership interest percentage. Under the terms of the limited partnership agreement, distributions without limited partner consent are limited to available cash and SP Solar is obligated to distribute all such available cash to its partners each quarter. Available cash includes all cash generated in the quarter subject to the maintenance of appropriate operating reserves.

SP Wind is owned by Southern Power and three financial investors. A wholly-owned subsidiary of Southern Power owns 100% of the Class B membership interests and the three financial investors own 100% of the Class A membership interests. SP Wind qualifies as a VIE since the structure of the arrangement is similar to a limited partnership and the Class A members do not have substantive kick-out rights against Southern Power.

At December 31, 2023 December 31, 2024 and 2022, 2023, SP Wind had total assets of $2.1 billion $2.0 billion and $2.2 billion $2.1 billion, respectively, total liabilities of $187 million $177 million and $169 million $187 million, respectively, and noncontrolling interests of $38 million $35 million and $39 million $38 million, respectively. Under the terms of the limited liability agreement, distributions without Class A member consent are limited to available cash and SP Wind is obligated to distribute all such available cash to its members each quarter. Available cash includes all cash generated in the quarter subject to the maintenance of appropriate operating reserves. Cash distributions from SP Wind are generally allocated 60% to Southern Power and 40% to the three financial investors in accordance with the limited liability agreement.

Southern Power consolidates both SP Solar and SP Wind, as the primary beneficiary, since it controls the most significant activities of each entity, including operating and maintaining their assets. Certain transfers and sales of the assets in the VIEs are subject to partner consent and the liabilities are non-recourse to the general credit of Southern Power. Liabilities consist of customary working capital items and do not include any long-term debt.

Other Variable Interest Entities

Southern Power has other consolidated VIEs that relate to certain subsidiaries that have either sold noncontrolling interests to tax equity investors or acquired less than a 100% interest from facility developers. These entities are considered VIEs because the arrangements are structured similar to a limited partnership and the noncontrolling members do not have substantive kick-out rights.

At December 31, 2023 December 31, 2024 and 2022, 2023, the other VIEs had total assets of $1.7 billion $1.6 billion and $1.8 billion $1.7 billion, respectively, total liabilities of $0.2 billion $224 million and $230 million, respectively, and noncontrolling interests of $0.8 billion. $691 million and 761 million, respectively. Under the terms of the partnership agreements, distributions of all available cash are required each month or quarter and additional distributions require partner consent.

Equity Method Investments

During 2023 and 2022, Southern Power sold its remaining equity method investments in wind projects and received proceeds totaling $50 million and $38 million, respectively. Earnings (loss) from these investments, including the gains associated with the sales, were immaterial for all periods presented. 2023 and 2022.

Southern Company Gas

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Equity Method Investments

The carrying amounts of Southern Company Gas' equity method investments at December 31, 2023 December 31, 2024 and 2022 and related earnings (loss) from those investments for the years ended December 31, 2023, 2022, and 2021 2023 were as follows:

Investment Balance	Investment Balance	December 31, 2023	December 31, 2022	Investment Balance	December 31, 2024	December 31, 2023
			(in millions)			
SNG						
Other						
Total						

Earnings (Loss) from Equity Method Investments	2023	2022	2021
		(in millions)	
SNG	$ 139	$ 146	$ 127
PennEast Pipeline(*)	—	—	(81)
Other	1	2	4
Total	$ 140	$ 148	$ 50

(*) For 2021, includes pre-tax impairment charges totaling $84 million. See "PennEast Pipeline Project" herein for additional information, including the September 2021 cancellation of the project.

PennEast Pipeline Project

In 2014, The earnings from Southern Company Gas entered into a partnership Gas' equity method investment related to SNG were $146 million in which it holds a 20% ownership interest 2024, $139 million in the PennEast Pipeline, an interstate pipeline company formed to develop 2023, and operate an approximate 118-mile natural gas pipeline between New Jersey and Pennsylvania. In 2019, an appellate court ruled that the PennEast Pipeline does not have federal eminent domain authority over lands $146 million in which a state has property rights interests. In June 2021, the U.S. Supreme Court ruled in favor of PennEast Pipeline following a review of the appellate court decision. 2022. The earnings from Southern Company Gas assesses its Gas' other equity method investments were immaterial for impairment whenever events or changes in circumstances indicate that the investment may be impaired. Following the U.S. Supreme Court ruling, during the second quarter 2021, Southern Company Gas management reassessed the project construction timing, including the anticipated timing for receipt of a FERC certificate and all remaining state and local permits, as well as potential challenges thereto, and performed an impairment analysis. The outcome of the analysis resulted in a pre-tax impairment charge of $82 million ($58 million after tax). In September 2021, PennEast Pipeline announced that further development of the project was no longer supported, and, as a result, all further development of the project ceased. During the third quarter 2021, Southern Company Gas recorded an additional pre-tax charge of $2 million ($2 million after tax) related to its share of the project level impairment, as well as $7 million of additional tax expense, resulting in total pre-tax charges of $84 million ($67 million after tax) during 2021 related to the project. periods presented.

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8. FINANCING

Long-term Debt

Details of long-term debt at December 31, 2023 December 31, 2024 and 2022 2023 are provided in the following table:

	At December 31, 2023			Balance Outstanding at December 31,		At December 31, 2024			Balance Outstanding at December 31,	
	Maturity	Maturity	Weighted Average Interest Rate	2023	2022	Maturity	Maturity	Weighted Average Interest Rate	2024	2023
					(in millions)					
Southern Company										
Senior notes(a)										
Senior notes(a)										
Senior notes(a)										
Junior subordinated notes										
FFB loans(b)										
Revenue bonds(c)										

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First mortgage bonds[d]	
Medium-term notes	
Other long-term debt	
Finance lease obligations[e]	
Unamortized fair value adjustment	
Unamortized debt premium (discount), net	
Unamortized debt issuance expenses	
Total long-term debt	
Less: Amount due within one year	
Total long-term debt excluding amount due within one year	
Alabama Power	
Senior notes	
Senior notes	
Senior notes	
Revenue bonds[c]	
Other long-term debt	
Finance lease obligations[e]	
Unamortized debt premium (discount), net	
Unamortized debt issuance expenses	
Total long-term debt	
Less: Amount due within one year	
Total long-term debt excluding amount due within one year	
Georgia Power	
Senior notes	
Senior notes	
Senior notes	
Junior subordinated notes	
FFB loans[b]	
Revenue bonds[c]	
Finance lease obligations[e]	
Finance lease obligations[e]	
Finance lease obligations[e]	
Unamortized debt premium (discount), net	
Unamortized debt issuance expenses	
Total long-term debt	
Less: Amount due within one year	
Total long-term debt excluding amount due within one year	

COMBINED NOTES TO FINANCIAL STATEMENTS

	At December 31, 2023	Balance Outstanding at December 31,
	At December 31, 2024	**Balance Outstanding at December 31,**

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	Maturity	Maturity	Weighted Average Interest Rate	2023	2022	Maturity	Weighted Average Interest Rate	2024	2023
					(in millions)				
Mississippi Power									
Senior notes									
Senior notes									
Senior notes									
Revenue bonds[c]									
Finance lease obligations[e]									
Unamortized debt premium (discount), net									
Unamortized debt issuance expenses									
Total long-term debt									
Less: Amount due within one year									
Total long-term debt excluding amount due within one year									
Southern Power									
Senior notes[a]									
Senior notes[a]									
Senior notes[a]									
Unamortized debt premium (discount), net									
Unamortized debt issuance expenses									
Total long-term debt									
Less: Amount due within one year									
Total long-term debt excluding amount due within one year									
Southern Company Gas									
Senior notes									
Senior notes									
Senior notes									
First mortgage bonds[d]									
Medium-term notes									
Other long-term debt									
Unamortized fair value adjustment									
Unamortized debt premium (discount), net									
Unamortized debt issuance expenses									
Total long-term debt									
Less: Amount due within one year									
Total long-term debt excluding amount due within one year									

(a) Includes a fair value gain (loss) of $(45) million and $(12) million at December 31, 2024 and $(31) million at December 31, 2023 and 2022, 2023, respectively, related to Southern Power's foreign currency hedge on its euro-denominated senior notes.

(b) Secured by a first priority lien on (i) Georgia Power's undivided ownership interest in Plant Vogtle Units 3 and 4 (primarily the units, the related real property, and any nuclear fuel loaded in the reactor core) and (ii) Georgia Power's rights and obligations under the principal contracts relating to Plant Vogtle Units 3 and 4. See "DOE Loan Guarantee Borrowings" herein for additional information.

(c) Revenue bond obligations represent loans to the traditional electric operating companies from public authorities of funds derived from sales by such authorities of revenue bonds issued to finance pollution control and solid waste disposal and wastewater facilities. In some cases, the revenue bond obligations represent obligations under installment sales agreements with respect to facilities constructed with the proceeds of revenue bonds issued by public authorities. The traditional electric operating companies are required to make payments sufficient for the authorities to meet principal and interest requirements of such bonds. Proceeds from certain issuances are restricted until qualifying expenditures are incurred.

(d) Secured by substantially all of Nicor Gas' properties.

(e) Secured by the underlying lease ROU asset. See Note 9 for additional information.

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COMBINED NOTES TO FINANCIAL STATEMENTS

Maturities of long-term debt for the next five years are as follows:

	Southern Company[a]	Southern Company[a]	Alabama Power[b]	Georgia Power[c]	Mississippi Power	Southern Power[d]	Southern Company Gas	Southern Company[a]	Alabama Power[b]	Georgia Power[c]	Mississippi Power	Southern Power[d]	Southern Company Gas
					(in millions)								
2024													
2025													
2026													
2027													
2028													
2029													

(a) See notes (b), (c), and (c) (d) below.

(b) Alabama Power's 2024 2025 maturities include $200 million aggregate principal amount of Series 2023A Floating Rate Senior Notes due May 15, 2073 that are repayable at the option of the holders at certain dates beginning that began in 2024. As a result, the senior notes are classified as securities due within one year on the balance sheets of Southern Company and Alabama Power at December 31, 2023 December 31, 2024.

(c) Amounts include principal amortization related to the FFB borrowings; however, the final maturity date is February 20, 2044. See "DOE Loan Guarantee Borrowings" herein for additional information. Georgia Power's 2025 maturities include approximately $117 million aggregate principal amount of Series 2024C Floating Rate Senior Notes due November 15, 2074 that are repayable at the option of the holders at certain dates beginning in 2025. As a result, the senior notes are classified as securities due within one year on the balance sheets of Southern Company and Georgia Power at December 31, 2024.

(d) Southern Power's 2026 maturities include $564 million of euro-denominated debt at the U.S. dollar denominated dollar-denominated hedge settlement amount.

DOE Loan Guarantee Borrowings

Pursuant to the loan guarantee program established under Title XVII of the Energy Policy Act of 2005 (Title XVII Loan Guarantee Program), Georgia Power and the DOE entered into a loan guarantee agreement in 2014 and the Amended and Restated Loan Guarantee Agreement in 2019. Under the Amended and Restated Loan Guarantee Agreement, the DOE agreed to guarantee the obligations of Georgia Power under the FFB Credit Facilities. Under the FFB Credit Facilities, Georgia Power was authorized to make term loan borrowings through the FFB in an amount up to approximately $5.130 billion, provided that total aggregate borrowings under the FFB Credit Facilities could not exceed 70% of (i) Eligible Project Costs minus (ii) approximately $1.492 billion (reflecting the amounts received by Georgia Power under the Guarantee Settlement Agreement less the related customer refunds).

In 2021, Georgia Power made the final borrowings under the FFB Credit Facilities and no further borrowings are permitted. During 2023, 2024, Georgia Power made principal amortization payments of $86 million under the FFB Credit Facilities. At December 31, 2023 December 31, 2024 and 2022, 2023, Georgia Power had $4.8 billion $4.7 billion and $4.9 billion $4.8 billion of borrowings outstanding under the FFB Credit Facilities, respectively.

All borrowings under the FFB Credit Facilities are full recourse to Georgia Power, and Georgia Power is obligated to reimburse the DOE for any payments the DOE is required to make to the FFB under its guarantee. Georgia Power's reimbursement obligations to the DOE are full recourse and secured by a first priority lien on (i) Georgia Power's undivided ownership interest in Plant Vogtle Units 3 and 4 (primarily the units, the related real property, and any nuclear fuel loaded in the reactor core) and (ii) Georgia Power's rights and obligations under the principal contracts relating to Plant Vogtle Units 3 and 4. There are no restrictions on Georgia Power's ability to grant liens on other property.

The final maturity date for each advance under the FFB Credit Facilities is February 20, 2044. Interest is payable quarterly and principal payments began in 2020. Each borrowing under the FFB Credit Facilities bears interest at a fixed rate equal to the applicable U.S. Treasury rate at the time of the borrowing plus a spread equal to 0.375%.

Under the Amended and Restated Loan Guarantee Agreement, Georgia Power is subject to customary borrower affirmative and negative covenants and events of default. In addition, Georgia Power is subject to project-related reporting requirements and other project-specific covenants and events of default.

In the event certain mandatory prepayment events occur, Georgia Power will be required to prepay the outstanding principal amount of all borrowings under the FFB Credit Facilities over a period of five years (with level principal amortization). Among other things, these mandatory prepayment events include (i) the termination loss of the Vogtle Services Agreement or rejection of the Vogtle Services Agreement in any Westinghouse bankruptcy if Georgia Power does not maintain access to intellectual property rights under the related intellectual property licenses; (ii) termination of the Bechtel Agreement by Bechtel or in connection with a cancellation necessary governmental approvals for operation of Plant Vogtle Units 3 and 4, unless the Vogtle Owners enter into a replacement agreement; (iii) cancellation 4; (ii) loss of Plant Vogtle Unit 4 regulation by the Georgia PSC or by Georgia Power; (iv) failure of the holders of 90% of the ownership interests in Plant Vogtle Units 3 and 4 to vote to continue construction following certain schedule extensions; (v) PSC; (iii) cost disallowances by the Georgia PSC that could have a material adverse effect on completion of Plant Vogtle Unit 4 or Georgia Power's ability to repay the outstanding borrowings under the FFB Credit Facilities; (iv) certain material casualty losses or (vi) a governmental taking of Plant Vogtle Units 3 and 4; or (v) loss of or failure access to receive the intellectual property rights necessary regulatory approvals.

COMBINED NOTES TO FINANCIAL STATEMENTS

operate Plant Vogtle Units 3 and 4. Under certain circumstances, insurance proceeds and any proceeds from an event of taking must be applied to immediately prepay outstanding borrowings under the FFB Credit Facilities. Georgia Power also may voluntarily prepay outstanding borrowings under the FFB Credit Facilities. Under the FFB Credit Facilities, any

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prepayment (whether mandatory or optional) will be made with a make-whole premium or discount, as applicable.

In connection with any cancellation of Plant Vogtle Unit 4, the DOE may elect to continue construction of Plant Vogtle Unit 4. In such an event, the DOE will have the right to assume Georgia Power's rights and obligations under the principal agreements relating to Plant Vogtle Units 3 and 4 and to acquire all or a portion of Georgia Power's ownership interest in Plant Vogtle Units 3 and 4.

See Note 2 under "Georgia Power – Nuclear Construction" for additional information.

COMBINED NOTES TO FINANCIAL STATEMENTS

Secured Debt

Each of Southern Company's subsidiaries is organized as a legal entity, separate and apart from Southern Company and its other subsidiaries. There are no agreements or other arrangements among the Southern Company system companies under which the assets of one company have been pledged or otherwise made available to satisfy obligations of Southern Company or any of its other subsidiaries.

As discussed under "Long-term Debt" herein, the Registrants had secured debt outstanding at December 31, 2023 December 31, 2024 and 2022. 2023. Each Registrant's senior notes, junior subordinated notes, revenue bond obligations, bank term loans, credit facility borrowings, and notes payable are effectively subordinated to all secured debt of each respective Registrant.

Equity Units

In May 2022, Southern Company remarketed $862.5 million aggregate principal amount of its Series 2019A Remarketable Junior Subordinated Notes due August 1, 2024 (2019A RSNs) and $862.5 million aggregate principal amount of its Series 2019B Remarketable Junior Subordinated Notes due August 1, 2027 (2019B RSNs), pursuant to the terms of its 2019 Series A Equity Units (Equity Units). In connection with the remarketing, the interest rates on the 2019A RSNs and the 2019B RSNs were reset to 4.475% and 5.113%, respectively, payable on a semi-annual basis. In August 2022, the proceeds were ultimately used to settle the purchase contracts entered into as part of the Equity Units and Southern Company issued approximately 25.2 million shares of common stock and received proceeds of $1.725 billion. In August 2024, Southern Company repaid at maturity the $862.5 million 2019A RSNs. At December 31, 2023 and 2022, , the 2019A RSNs were included on Southern Company's consolidated balance sheet in securities due within one year. At December 31, 2024 and 2023, the 2019B RSNs are were included on Southern Company's consolidated balance sheets in long-term debt or, as applicable, securities due within one year. debt.

Convertible Senior Notes

In May 2024, Southern Company issued $1.5 billion aggregate principal amount of Series 2024A 4.50% Convertible Senior Notes due June 15, 2027 (Series 2024A Convertible Senior Notes).

In February 2023, Southern Company issued $1.5 billion aggregate principal amount of Series 2023A 3.875% Convertible Senior Notes due December 15, 2025 (Series 2023A Convertible Senior Notes). In March 2023, Southern Company issued an additional $225 million aggregate principal amount of the Series 2023A Convertible Senior Notes upon the exercise by the initial purchasers of their over-allotment option.

Interest on the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes is payable semiannually, which began on June 15, 2023. semiannually. The Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes will mature on June 15, 2027 and December 15, 2025, respectively, unless earlier converted or repurchased, but are not redeemable at the option of Southern Company. The Both the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes are direct, unsecured, and unsubordinated obligations of Southern Company, ranking equally with all of Southern Company's other unsecured and unsubordinated indebtedness from time to time outstanding, and are effectively subordinated to all secured indebtedness of Southern Company.

Holders Under the following circumstances, holders may convert their Series 2024A Convertible Senior Notes and their Series 2023A Convertible Senior Notes at their option prior to the close of business on the business day preceding March 15, 2027 and September 15, 2025, but only under the following circumstances: respectively:

- during any calendar quarter (and only during such calendar quarter), if the last reported sale price of Southern Company's common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the applicable conversion price of the Series 2024A Convertible Senior Notes or the Series 2023A Convertible Senior Notes, as the case may be, on each applicable trading day as determined by Southern Company;
- during the five business day period after any 10 consecutive trading day period (Measurement Period) in which the applicable trading price per $1,000 principal amount of Series 2024A Convertible Senior Notes or Series 2023A Convertible Senior Notes, as the case may be, for each trading day of the Measurement Period was less than 98% of the product of the last reported sale price of the common stock and the applicable conversion rate on each such trading day; or
- upon the occurrence of certain corporate events specified in the indenture respective supplemental indentures governing the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes.

On or after March 15, 2027, for the Series 2024A Convertible Senior Notes, and September 15, 2025, for the Series 2023A Convertible Senior Notes, a holder may convert all or any portion of its Series 2024A Convertible Senior Notes or its Series 2023A Convertible Senior Notes, as the case may be. at any time prior to the close of business on the second scheduled trading day immediately preceding the applicable maturity date regardless of the foregoing conditions.
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On or after September 15, 2025, a holder may convert all or any portion of its Series 2023A Convertible Senior Notes at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date regardless of the foregoing conditions.

Southern Company will settle conversions of the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes by paying cash up to the aggregate principal amount of the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes to be converted and paying or delivering, as the case may be, cash, shares of common stock, or a combination of cash and shares of common stock, at Southern Company's election, in respect of the remainder, if any, of Southern Company's conversion obligation in excess of the aggregate principal amount of the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes being converted. The Series 2024A Convertible Senior Notes are initially convertible at a rate of 10.8166 shares of common stock per $1,000 principal amount converted, which is approximately equal to $92.45 per share of common stock. The Series 2023A Convertible Senior Notes are initially convertible at a rate of 11.8818 shares of common stock per $1,000 principal amount converted, which is approximately equal to $84.16 per share of common stock. The These conversion rate rates will be subject to adjustment upon the occurrence of certain specified events but will not be adjusted for accrued and unpaid interest. In addition, upon the occurrence of a make-whole fundamental change (as defined in the indenture respective supplemental indentures governing the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes), Southern Company will, in certain circumstances, increase the applicable conversion rate by a number of additional shares of common stock for conversions in connection with the make-whole fundamental change.

Upon the occurrence of a fundamental change (as defined in the indenture respective supplemental indentures governing the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes), holders of the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes may require Southern Company to purchase all or a portion of their Series 2024A Convertible Senior Notes and their Series 2023A Convertible Senior Notes, in principal amounts equal to $1,000 or an integral multiple thereof, for cash at a price equal to 100% of the principal amount of the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes to be purchased plus any accrued and unpaid interest.

Equity Distribution Agreement

In May 2024, Southern Company established an at-the-market program by entering into an equity distribution agreement pursuant to which it may sell, from time to time, up to an aggregate of 50 million shares of its common stock, including through forward sale contracts. In November 2024, Southern Company entered into separate forward sale contracts with forward purchasers for the sale of:

- 1,000,000 shares of common stock with an initial forward price of $86.5645 per share and
- 1,000,000 shares of common stock with an initial forward price of $87.9658 per share.

In addition, in December 2024, Southern Company entered into a forward sale contract with a forward purchaser for the sale of 436,614 shares of its common stock, 143,920 of which had been sold by the forward seller as of December 31, 2024, with the remaining 292,694 shares sold subsequent to December 31, 2024, all with an initial forward price of $83.3293 per share.

Each initial forward price is subject to adjustment under certain specified circumstances as specified in the forward sale contracts. Southern Company may settle each of the forward transactions in shares, cash, or net shares on or before December 31, 2025. As of December 31, 2024, no shares had been settled under these forward confirmations.

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Bank Credit Arrangements

At December 31, 2023 December 31, 2024, committed credit arrangements with banks were as follows:

Company	Expires 2024	Expires 2025	Expires 2026	Expires 2028	Total	Unused	Expires within One Year	Expires 2025	Expires 2026	Expires 2027	Expires 2029	Total	Unused	Expires within One Year
					(in millions)									
Southern Company parent(a)														
Alabama Power (b)														
Georgia Power														
Mississippi Power														
Southern Power(b) (c)														
Southern Company Gas(c) (d)														
SEGCO														
Southern Company														

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(a) Arrangement expiring in 2028 2029 represents a $2.45 billion combined arrangement for Southern Company and Southern Power as borrowers. Pursuant to the combined facility, the allocations between Southern Company and Southern Power may be adjusted. allowing for flexible sublimits.

(b) Includes $15 million expiring in 2026 at Alabama Property Company, a wholly-owned subsidiary of Alabama Power, of which $14 million was unused at December 31, 2024. Alabama Power is not party to this arrangement.

(c) Does not include Southern Power Company's $75 million and $100 million continuing letter of credit facilities for standby letters of credit, expiring in 2025 2027 and 2026, respectively, of which $8 million $16 million and $7 million $11 million, respectively, was unused at December 31, 2023 December 31, 2024. Southern Power's subsidiaries are not parties to its bank credit arrangements or letter of credit facilities.

(c) (d) Southern Company Gas, as the parent entity, guarantees the obligations of Southern Company Gas Capital, which is the borrower of $800 million of the credit arrangement expiring in 2028. 2029. Southern Company Gas' committed credit arrangement expiring in 2028 2029 also includes $700 million for which Nicor Gas is the borrower and which is restricted for working capital needs of Nicor Gas. Pursuant to the multi-year credit arrangement expiring in 2028, 2029, the allocations between Southern Company Gas Capital and Nicor Gas may be adjusted. Nicor Gas is also the borrower under a $100 million credit arrangement expiring in 2024. 2025. See "Structural Considerations" herein for additional information.

The bank credit arrangements require payment of commitment fees based on the unused portion of the commitments. Commitment fees average less than 1/4 of 1% for the Registrants and Nicor Gas. Subject to applicable market conditions, Southern Company and its subsidiaries expect to renew or replace their bank credit arrangements as needed, prior to expiration. In connection therewith, Southern Company and its subsidiaries may extend the maturity dates and/or increase or decrease the lending commitments thereunder.

These bank credit arrangements, as well as the term loan arrangements of the Registrants, Nicor Gas, and SEGCO, contain covenants that limit debt levels and contain cross-acceleration provisions to other indebtedness (including guarantee obligations) that are restricted only to the indebtedness of the individual company. The cross-acceleration provisions to other indebtedness would trigger an event of default if the applicable borrower defaulted on indebtedness, the payment of which was then

accelerated. Southern Company's, certain of Mississippi Power's, Southern Company Gas', and Nicor Gas' credit arrangements contain covenants that limit debt levels to 70% of total capitalization, as defined in the agreements, and the other subsidiaries' bank credit arrangements contain covenants that limit debt levels to 65% of total capitalization, as defined in the agreements. For purposes of these definitions, debt excludes junior subordinated notes and, in certain arrangements, other hybrid securities. Additionally, for Southern Company and Southern Power, for purposes of these definitions, debt excludes any project debt incurred by certain subsidiaries of Southern Power to the extent such debt is non-recourse to Southern Power and capitalization excludes the capital stock or other equity attributable to such subsidiaries. At December 31, 2023 December 31, 2024, the Registrants, Nicor Gas, and SEGCO were in compliance with all such covenants. None of the bank credit arrangements contain material adverse change clauses at the time of borrowings.

A portion of the unused credit with banks is allocated to provide liquidity support to certain revenue bonds of the traditional electric operating companies and the commercial paper programs of the Registrants, Nicor Gas, and SEGCO. At December 31, 2023 December 31, 2024, outstanding variable rate demand revenue bonds of the traditional electric operating companies with allocated liquidity support totaled approximately $1.7 billion (comprised of approximately $818 million $796 million at Alabama Power, $819 million at Georgia Power, and $69 million at Mississippi Power). In addition, at December 31, 2023 December 31, 2024, Alabama Power and Georgia Power had approximately $325 million $207 million and $157 million, respectively, of fixed rate revenue bonds outstanding that are required to be remarketed within the next 12 months. The Alabama Power's $207 million of fixed rate revenue bonds are classified as securities due within one year on its balance sheets as they are not covered by long-term committed credit. All other variable rate demand

revenue bonds and fixed rate revenue bonds required to be remarketed within the next 12 months are classified as long-term debt on the balance sheets as a result of available long-term committed credit.

At both December 31, 2023 December 31, 2024 and 2022, 2023, Southern Power had $106 million of cash collateral posted related to PPA requirements, which is included in other deferred charges and assets on Southern Power's consolidated balance sheets.

Notes Payable

The Registrants, Nicor Gas, and SEGCO make short-term borrowings primarily through commercial paper programs that have the liquidity support of the committed bank credit arrangements described above under "Bank Credit Arrangements." Southern Power's subsidiaries are not parties or obligors to its commercial paper program. Southern Company Gas maintains commercial paper programs at Southern Company Gas Capital and at Nicor Gas. Nicor Gas' commercial paper program supports working capital needs at Nicor Gas as Nicor Gas is not permitted to make money pool loans to affiliates. All of Southern Company Gas' other subsidiaries benefit from Southern Company Gas Capital's commercial paper program. See "Structural Considerations" herein for additional information.

In addition, Southern Company and certain of its subsidiaries have entered into various bank term loan agreements. Unless otherwise stated, the proceeds of these loans were used to repay existing indebtedness and for general corporate purposes, including working capital and, for the subsidiaries, their continuous construction programs.

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Commercial paper and short-term bank term loans are included in notes payable in the balance sheets. Details of short-term borrowings for the applicable Registrants were as follows:

	Notes Payable at December 31, 2023			Notes Payable at December 31, 2022		
	Notes Payable at December 31, 2024			Notes Payable at December 31, 2023		
	Amount Outstanding	Weighted Average Interest Rate		Amount Outstanding	Weighted Average Interest Rate	
	(in millions)					
Southern Company						
Southern Company						
Southern Company						
Commercial paper						
Commercial paper						
Commercial paper	$1,794	5.6	5.6 %	$ 809	4.7	4.7 %
Short-term bank debt	Short-term bank debt 520	6.4	6.4 %	1,800	5.0	5.0 %
Total	Total $2,314	5.7	5.7 %	$ 2,609	4.9	4.9 %
Alabama Power						
Alabama Power						
Alabama Power						
Commercial paper						
Commercial paper						
Commercial paper	$ 40	5.5	5.5 %	$ —	—	— %
Georgia Power						
Georgia Power						
Georgia Power						
Commercial paper						
Commercial paper						
Commercial paper	$ 809	5.6	5.6 %	$ —	—	— %
Short-term bank debt	Short-term bank debt 520	6.4	6.4 %	1,600	5.0	5.0 %
Total	Total $1,329	5.9	5.9 %	$ 1,600	5.0	5.0 %
Mississippi Power						
Mississippi Power						
Mississippi Power						
Commercial paper						
Commercial paper						
Commercial paper	$ 14	4.6 %		$ —	—	%
Southern Power						
Southern Power						
Southern Power						
Commercial paper						
Commercial paper						

	Notes Payable at December 31, 2023									Notes Payable at December 31, 2022								
	Notes Payable at December 31, 2024									Notes Payable at December 31, 2023								
	Amount Outstanding		Amount Outstanding		Weighted Average Interest Rate		Amount Outstanding			Weighted Average Interest Rate		Amount Outstanding			Weighted Average Interest Rate			
	(in millions)																	
Southern Company																		
Southern Company																		
Southern Company																		
Commercial paper																		
Commercial paper																		
Commercial paper	$1,794		5.6		5.6 %		$ 809		4.7		4.7 %	$ 1,138		4.7		4.7 %	$1,794	5.(
Short-term bank debt	Short-term bank debt	520	6.4		6.4 %		1,800		5.0		5.0 %							
Total	Total	$2,314	5.7		5.7 %		$ 2,609		4.9		4.9 %	Total	$ 1,338	4.8		4.8 %	$2,314	
Alabama Power																		
Alabama Power																		
Alabama Power																		
Commercial paper																		
Commercial paper																		
Commercial paper	$ 40		5.5		5.5 %		$ —		—		— %	$ —	—		—	%	$ 40	5.5
Georgia Power																		
Georgia Power																		
Georgia Power																		
Commercial paper																		
Commercial paper																		
Commercial paper	$ 809		5.6		5.6 %		$ —		—		— %	$ —	—		—	%	$ 809	5.(
Short-term bank debt	Short-term bank debt	520	6.4		6.4 %		1,600		5.0		5.0 %							
Total	Total	$1,329	5.9		5.9 %		$ 1,600		5.0		5.0 %	Total	$ 200	5.3		5.3 %	$1,329	
Mississippi Power																		
Mississippi Power																		
Mississippi Power																		
Commercial paper																		
Commercial paper																		
Commercial paper	$ 14		4.6 %				$ —		—		%							
Southern Power																		
Southern Power																		
Southern Power																		
Commercial paper																		
Commercial paper																		

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Commercial paper	$	138	5.5		5.5	%	$	225	4.7		4.7	%	$	—	—		—	%	$	138	5.5	
Southern Company Gas																						
Southern Company Gas																						
Southern Company Gas																						
Commercial paper:																						
Commercial paper:																						
Commercial paper:																						
Southern Company Gas Capital																						
Southern Company Gas Capital																						
Southern Company Gas Capital	$	23	5.5		5.5	%	$	285	4.8		4.8	%	$	283	4.7		4.7	%	$	23	5.5	
Nicor Gas	Nicor Gas	392	5.5		5.5	%		283	4.6		4.6	%										
Short-term bank debt:																						
Nicor Gas																						
Nicor Gas																						
Nicor Gas		—			—	%		200			4.9	%										
Total	Total	$ 415	5.5		5.5	%	$	768	4.7		4.7	%										
Total																						
Total		$ 455		4.7	%		$415			5.5	%										

See "Bank Credit Arrangements" herein for information on bank term loan covenants that limit debt levels and cross-acceleration or cross-default provisions.

COMBINED NOTES TO FINANCIAL STATEMENTS

Outstanding Classes of Capital Stock

Southern Company

Common Stock

Stock Issued

During 2023, 2024, Southern Company issued approximately 2.1 million 5.8 million shares of common stock primarily through equity compensation plans and received proceeds of approximately $36 million. plans.

Shares Reserved

At December 31, 2023 December 31, 2024, a total of 131 million 177 million shares were reserved for issuance pursuant to the Southern Investment Plan, employee savings plans, the Equity and Incentive Compensation Plan (which includes stock options performance share units and performance share restricted stock units as discussed in Note 12), an at-the-market program, and the Series 2024A Convertible Senior Notes and Series 2023A Convertible Senior Notes (as discussed under "Convertible Senior Notes" herein). Of the shares reserved, 26.9 million 25 million shares are available for awards under the Equity and Incentive Compensation Plan at December 31, 2023 December 31, 2024.

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Diluted Earnings Per Share

For Southern Company, the only difference in computing basic and diluted earnings per share (EPS) is attributable to awards outstanding under stock-based compensation plans, and the Series 2024A Convertible Senior Notes, the Series 2023A Convertible Senior Notes. Notes, and forward sale contracts pursuant to the equity distribution agreement. EPS dilution resulting from

stock-based compensation plans and the forward sale contracts is determined using the treasury stock method, and EPS dilution resulting from the Series 2024A Convertible Senior Notes and the Series 2023A Convertible Senior Notes is determined using the net share settlement method. See Note 12 and "Convertible Senior Notes" and "Equity Distribution Agreement" herein for additional information. Shares used to compute diluted EPS were as follows:

	Average Common Stock Shares			Average Common Stock Shares		
	2023	2022	2021	2024	2023	2022
	(in millions)			*(in millions)*		
As reported shares						
Effect of stock-based compensation						
Diluted shares						

For 2023, there were no anti-dilutive shares. For 2022 and 2021, all periods presented, an immaterial number of stock-based compensation awards was excluded from the diluted EPS calculation because the awards were anti-dilutive.

For all periods presented, 2024, there was no dilution resulting from the Series 2024A Convertible Senior Notes and the forward sale contracts, and the dilution resulting from the Series 2023A Convertible Senior Notes. Notes was immaterial.

Preferred Stock of Subsidiaries

As discussed further under "Alabama Power" herein, during 2022, Alabama Power redeemed all of its preferred stock and Class A preferred stock.

Alabama Power

Alabama Power has preferred stock, Class A preferred stock, preference stock, and common stock authorized, but only common stock outstanding at December 31, 2023 December 31, 2024.

During 2022, Alabama Power redeemed all of its preferred stock and Class A preferred stock at the redemption prices per share provided in the table below, plus accrued and unpaid dividends to the redemption date.

Preferred Stock Redeemed During 2022	Par Value/Stated Capital Per Share	Shares	Redemption Price Per Share
4.92% Preferred Stock	$100	80,000	$103.23
4.72% Preferred Stock	$100	50,000	$102.18
4.64% Preferred Stock	$100	60,000	$103.14
4.60% Preferred Stock	$100	100,000	$104.20
4.52% Preferred Stock	$100	50,000	$102.93
4.20% Preferred Stock	$100	135,115	$105.00
5.00% Class A Preferred Stock	$25	10,000,000	$25.00

Georgia Power

Georgia Power has preferred stock, Class A preferred stock, preference stock, and common stock authorized, but only common stock outstanding.

Mississippi Power

Mississippi Power has preferred stock and common stock authorized, but only common stock outstanding.

Dividend Restrictions

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The income of Southern Company is derived primarily from equity in earnings of its subsidiaries. At December 31, 2023 December 31, 2024, consolidated retained earnings included $5.5 billion $6.5 billion of undistributed retained earnings of the subsidiaries.

The traditional electric operating companies and Southern Power can only pay dividends to Southern Company out of retained earnings or paid-in-capital.

See Note 7 under "Southern Power" for information regarding the distribution requirements for certain Southern Power subsidiaries.

By regulation, Nicor Gas is restricted, up to its retained earnings balance, in the amount it can dividend or loan to affiliates and is not permitted to make money pool loans to affiliates. At December 31, 2023 December 31, 2024, the amount of Southern Company Gas' subsidiary retained earnings available for dividend payment totaled $1.7 billion $1.6 billion.

Structural Considerations

Since Southern Company and Southern Company Gas are holding companies, the right of Southern Company and Southern Company Gas and, hence, the right of creditors of Southern Company or Southern Company Gas to participate in any distribution of the assets of any respective subsidiary of Southern Company or Southern Company Gas, whether upon liquidation, reorganization or otherwise, is subject to prior claims of creditors and preferred stockholders of such subsidiary.

Southern Company Gas' 100%-owned subsidiary, Southern Company Gas Capital was established to provide for certain of Southern Company Gas' ongoing financing needs through a commercial paper program, the issuance of various debt, hybrid securities, and other financing arrangements. Southern Company Gas fully and unconditionally guarantees all debt issued by Southern Company Gas Capital. Nicor Gas is not permitted by regulation to make loans to affiliates or utilize Southern Company Gas Capital for its financing needs.

Southern Power Company's senior notes, bank term loan, commercial paper, and bank credit arrangement are unsecured senior indebtedness, which rank equally with all other unsecured and unsubordinated debt of Southern Power Company. Southern Power's subsidiaries are not issuers, borrowers, or obligors, as applicable, under any of these unsecured senior debt arrangements, which are effectively subordinated to any future secured debt of Southern Power Company and any potential claims of creditors of Southern Power's subsidiaries.

9. LEASES

Lessee

The Registrants recognize leases with a term of greater than 12 months on the balance sheet as lease obligations, representing the discounted future fixed payments due, along with ROU assets that will be amortized over the term of each lease.

As lessee, the Registrants lease certain electric generating units (including renewable energy facilities), real estate/land, communication towers, railcars, and other equipment and vehicles. The major categories of lease obligations are as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)							(in millions)					
At December 31, 2024													
Electric generating units(*)													
Electric generating units(*)													
Electric generating units(*)													
Real estate/land													
Communication towers													
Railcars													
Other													

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Total	
At December 31, 2023	
At December 31, 2023	
At December 31, 2023	
Electric generating units(*)	
Electric generating units(*)	
Electric generating units(*)	
Real estate/land	
Communication towers	
Railcars	
Other	
Total	
At December 31, 2022	
At December 31, 2022	
At December 31, 2022	
Electric generating units(*)	
Electric generating units(*)	
Electric generating units(*)	
Real estate/land	
Communication towers	
Railcars	
Other	
Total	

(*) Amounts related to affiliate leases are eliminated in consolidation for Southern Company. See "Contracts that Contain a Lease" herein for additional information.

Real estate/land leases primarily consist of commercial real estate leases at Southern Company, Georgia Power, and Southern Company Gas and various land leases primarily associated with renewable energy facilities at Southern Power. The commercial real estate leases have remaining terms of up to 27 20 years while the land leases have remaining terms of up to 44 years, including renewal periods.

Communication towers are leased for the installation of equipment to provide cellular phone service to customers and to support the automated meter infrastructure programs at the traditional electric operating companies and Nicor Gas. Communication tower leases have remaining terms of up to 17 16 years.

Renewal options exist in many of the leases. The expected term used in calculating the lease obligation generally reflects only the noncancelable period of the lease unless it is considered reasonably certain that the lease will be extended. Land leases associated with renewable energy facilities at Southern Power and communication tower leases for automated meter infrastructure at Nicor Gas include renewal periods reasonably certain of exercise resulting in an expected lease term at least equal to the expected life of the renewable energy facilities and the automated meter infrastructure, respectively.

Contracts that Contain a Lease

While not specifically structured as a lease, some of the PPAs at Alabama Power and Georgia Power are deemed to represent a lease of the underlying electric generating units when the terms of the PPA convey the right to control the use of the underlying assets. Amounts recorded for leases of electric generating units are generally based on the amount of scheduled capacity payments due over the remaining term of the PPA, which varies between one three and 16 15 years. Georgia Power has several PPAs with Southern Power that Georgia Power accounts for as leases with a lease obligation of $416 million $893 million and $461 $416 million at December 31, 2023 December 31, 2024 and 2022, 2023, respectively. The amount paid for energy under these affiliate PPAs reflects a price that would be paid in an arm's-length transaction as reviewed and approved by both the Georgia PSC. PSC and the FERC. Amounts related to the affiliate PPAs are eliminated in consolidation for Southern Company.

Short-term Leases

Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Registrants generally recognize lease expense for these leases on a straight-line basis over the lease term.

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COMBINED NOTES TO FINANCIAL STATEMENTS

Residual Value Guarantees

Residual value guarantees exist primarily in railcar leases at Alabama Power and Georgia Power, and the with Georgia Power's railcar leases terminating in June 2024. The amounts probable of being paid under those guarantees are included in the lease payments. All such amounts are were immaterial at December 31, 2023 December 31, 2024 and 2022. 2023.

Lease and Nonlease Components

For all asset categories, with the exception of electric generating units, gas pipelines, and real estate leases, the Registrants combine lease payments and any nonlease components, such as asset maintenance, for purposes of calculating the lease obligation and the right-of-use ROU asset.

Balance sheet amounts recorded for operating and finance leases are as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)							*(in millions)*					
At December 31, 2024													
Operating Leases													
Operating Leases													
Operating Leases													
Operating lease ROU assets, net													
Operating lease ROU assets, net													
Operating lease ROU assets, net													
Operating lease obligations - current													
Operating lease obligations - current													
Operating lease obligations - current													
Operating lease obligations - non-current													
Total operating lease obligations(*)													
Finance Leases													
Finance Leases													
Finance Leases													
Finance lease ROU assets, net													
Finance lease ROU assets, net													
Finance lease ROU assets, net													
Finance lease obligations - current													
Finance lease obligations - current													
Finance lease obligations - current													
Finance lease obligations - non-current													
Total finance lease obligations													
At December 31, 2023													
At December 31, 2023													
At December 31, 2023													
Operating Leases													
Operating Leases													
Operating Leases													

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Operating lease ROU assets, net
Operating lease ROU assets, net
Operating lease ROU assets, net
Operating lease obligations - current
Operating lease obligations - current
Operating lease obligations - current
Operating lease obligations - non-current
Total operating lease obligations(*)
Finance Leases
Finance Leases
Finance Leases
Finance lease ROU assets, net
Finance lease ROU assets, net
Finance lease ROU assets, net
Finance lease obligations - current
Finance lease obligations - current
Finance lease obligations - current
Finance lease obligations - non-current
Total finance lease obligations
At December 31, 2022
At December 31, 2022
At December 31, 2022
Operating Leases
Operating Leases
Operating Leases
Operating lease ROU assets, net
Operating lease ROU assets, net
Operating lease ROU assets, net
Operating lease obligations - current
Operating lease obligations - current
Operating lease obligations - current
Operating lease obligations - non-current
Total operating lease obligations(*)
Finance Leases
Finance Leases
Finance Leases
Finance lease ROU assets, net
Finance lease ROU assets, net
Finance lease ROU assets, net
Finance lease obligations - current
Finance lease obligations - current

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Finance lease obligations - current	
Finance lease obligations - non-current	
Total finance lease obligations	

(*) Includes operating lease obligations related to PPAs at Southern Company, Alabama Power, and Georgia Power totaling $567 million, $55 million, and $1.3 billion, respectively, at December 31, 2024 and $566 million, $58 million, and $813 million, respectively, at December 31, 2023 and $652 million, $59 million, and $952 million, respectively, at December 31, 2022.

If not presented separately on the Registrants' balance sheets, amounts related to leases are presented as follows: operating lease ROU assets, net are included in "other deferred charges and assets"; operating lease obligations are included in "other current liabilities" and "other deferred credits and liabilities," as applicable; finance lease ROU assets, net are included in "plant in service"; and finance lease obligations are included in "securities due within one year" and "long-term debt," as applicable.

COMBINED NOTES TO FINANCIAL STATEMENTS

Lease costs for 2024, 2023, 2022, and 2021, 2022, which includes both amounts recognized as operations and maintenance expense and amounts capitalized as part of the cost of another asset, are as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)							*(in millions)*					
2024													
Lease cost													
Lease cost													
Lease cost													
Operating lease cost(*)													
Operating lease cost(*)													
Operating lease cost(*)													
Finance lease cost:													
Amortization of ROU assets													
Amortization of ROU assets													
Amortization of ROU assets													
Interest on lease obligations													
Total finance lease cost													
Short-term lease costs													
Variable lease cost													
Total lease cost													
Total lease cost													
Total lease cost													
2023													
2023													
2023													
Lease cost													
Lease cost													
Lease cost													
Operating lease cost(*)													
Operating lease cost(*)													
Operating lease cost(*)													
Finance lease cost:													
Amortization of ROU assets													

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Amortization of ROU assets
Amortization of ROU assets
Interest on lease obligations
Total finance lease cost
Short-term lease costs
Variable lease cost
Sublease income
Total lease cost
Total lease cost
Total lease cost
2022
2022
2022
Lease cost
Lease cost
Lease cost
Operating lease cost(*)
Operating lease cost(*)
Operating lease cost(*)
Finance lease cost:
Amortization of ROU assets
Amortization of ROU assets
Amortization of ROU assets
Interest on lease obligations
Total finance lease cost
Short-term lease costs
Variable lease cost
Sublease income
Total lease cost
2021
2021
2021
Lease cost
Lease cost
Lease cost
Operating lease cost(*)
Operating lease cost(*)
Operating lease cost(*)
Finance lease cost:
Amortization of ROU assets
Amortization of ROU assets
Amortization of ROU assets
Interest on lease obligations
Total finance lease cost
Short-term lease costs
Variable lease cost
Sublease income
Total lease cost

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(*) Includes operating lease costs related to PPAs at Southern Company, Alabama Power, and Georgia Power totaling $108 million, $5 million, and $168 million, respectively, in 2024, $112 million, $4 million, and $174 million, respectively, in 2023, and $162 million, $48 million, and $180 million, respectively, in 2022, and $165 million 2022.

Georgia Power has variable lease payments that are based on the amount of energy produced by certain renewable generating facilities subject to PPAs, including $45 million, $47 million $42 million, and $184 million $45 million in 2024, 2023, and 2022, respectively, from finance leases which are included in purchased power on Georgia Power's statements of income, of which $22 million, respectively, $21 million, and $21 million was included in 2021. purchased power, affiliates in 2024, 2023, and 2022, respectively.

COMBINED NOTES TO FINANCIAL STATEMENTS

Georgia Power has variable lease payments that are based on the amount of energy produced by certain renewable generating facilities subject to PPAs, including $42 million, $45 million, and $41 million in 2023, 2022, and 2021, respectively, from finance leases which are included in purchased power on Georgia Power's statements of income, of which $21 million, $21 million, and $20 million was included in purchased power, affiliates in 2023, 2022, and 2021, respectively.

Other information with respect to cash and noncash activities related to leases, as well as weighted-average lease terms and discount rates, is as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)							*(in millions)*					
2024													
Other information													
Other information													
Other information													
Cash paid for amounts included in the measurements of lease obligations:													
Cash paid for amounts included in the measurements of lease obligations:													
Cash paid for amounts included in the measurements of lease obligations:													
Operating cash flows from operating leases													
Operating cash flows from operating leases													
Operating cash flows from operating leases													
Operating cash flows from finance leases													
Financing cash flows from finance leases													
ROU assets obtained under operating leases													
Reassessment of ROU assets under operating leases													
ROU assets obtained under finance leases													
2023													
2023													
2023													
Other information													
Other information													
Other information													
Cash paid for amounts included in the measurements of lease obligations:													

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Cash paid for amounts included in the measurements of lease obligations:

Cash paid for amounts included in the measurements of lease obligations:

Operating cash flows from operating leases

Operating cash flows from operating leases

Operating cash flows from operating leases

Operating cash flows from finance leases

Financing cash flows from finance leases

ROU assets obtained under operating leases

ROU assets obtained under finance leases

ROU assets obtained under finance leases

ROU assets obtained under finance leases

2022

2022

2022

Other information

Other information

Other information

Cash paid for amounts included in the measurements of lease obligations:

Cash paid for amounts included in the measurements of lease obligations:

Cash paid for amounts included in the measurements of lease obligations:

Operating cash flows from operating leases

Operating cash flows from operating leases

Operating cash flows from operating leases

Operating cash flows from finance leases

Financing cash flows from finance leases

ROU assets obtained under operating leases

Reassessment of ROU assets under operating leases

ROU assets obtained under finance leases

2021

2021

2021

Other information

Other information

Other information

Cash paid for amounts included in the measurements of lease obligations:

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Cash paid for amounts included in the measurements of lease obligations:	
Cash paid for amounts included in the measurements of lease obligations:	
Operating cash flows from operating leases	
Operating cash flows from operating leases	
Operating cash flows from operating leases	
Operating cash flows from finance leases	
Financing cash flows from finance leases	
ROU assets obtained under operating leases	
ROU assets obtained under finance leases	

COMBINED NOTES TO FINANCIAL STATEMENTS

	Southern Company		Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas		Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
At December 31, 2024															
Weighted-average remaining lease term in years:															
Weighted-average remaining lease term in years:															
Weighted-average remaining lease term in years:															
Operating leases															
Operating leases															
Operating leases	**16.4**		**10.2**	**7.9**	**4.3**	**32.3**	**6.8**								
Finance leases	**16.0**		**2.7**	**10.1**	**10.9**		**N/A**								
Weighted-average discount rate:															
Operating leases															
Operating leases															
Operating leases	**4.73**	**%**	**5.04**	**%**	**4.73**	**%**	**3.83**	**%**	**4.88**	**%**	**3.84**	**%**			
Finance leases	**4.86**	**%**	**4.05**	**%**	**5.8**	**%**	**2.74**	**%**			**N/A**				
At December 31, 2023															
At December 31, 2023															

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	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)							(in millions)					
Maturity Analysis													
Operating leases:													
Operating leases:													
Operating leases:													
2024													
2024													
2024													
2025													
2025													
2025													
2026													
2027													
2028													
2029													
Thereafter													
Total													
Less: Present value discount													
Operating lease obligations													
Finance leases:													
2024													
2024													
2024													
2025													
2025													
2025													
2026													
2027													
2028													
2029													
Thereafter													
Total													
Less: Present value discount													
Finance lease obligations													

COMBINED NOTES TO FINANCIAL STATEMENTS

Payments made under PPAs at Georgia Power for energy generated from certain renewable energy facilities accounted for as operating and finance leases are considered variable lease costs and are therefore not reflected in the above maturity analysis.

At December 31, 2024, Georgia Power has two affiliate PPAs with Southern Power that have not yet commenced and will be accounted for as leases. The PPAs each have a term of 10 years and are expected to commence in 2025 and 2028. The estimated total obligations associated with these PPAs is $83 million. Southern Company Gas has executed an 11.5-year building lease agreement that will commence during the first half of 2025. The lease has a total obligation of approximately $105 million.

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Lessor

The Registrants are each considered lessors in various arrangements that have been determined to contain a lease due to the customer's ability to control the use of the underlying asset owned by the applicable Registrant. For the traditional electric operating companies, these arrangements consist of outdoor lighting contracts accounted for as operating leases with initial terms of up to 10 years, after which the contracts renew on a month-to-month basis at the customer's option. For Georgia Power, these arrangements also include PPAs related to electric generating units accounted for as operating leases with remaining terms of up to 15 years. For Mississippi Power, these arrangements also include a tolling arrangement related to an electric generating unit accounted for as a sales-type lease with a remaining term of 15 14 years. For Southern Power, these arrangements consist of PPAs related to electric generating units accounted for as operating leases with remaining terms of up to 23 22 years and PPAs related to battery energy storage facilities accounted for as sales-type leases with remaining terms of up to 18 17 years. Southern Company Gas is the lessor in operating leases related to gas pipelines with remaining terms of up to 19 18 years. For Southern Company, these arrangements also include PPAs related to fuel cells accounted for as operating leases with remaining terms of up to 10 9 years.

Lease income for 2024, 2023, 2022, and 2021, 2022, is as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)							*(in millions)*					
2024													
Lease income - interest income on sales-type leases													
Lease income - interest income on sales-type leases													
Lease income - interest income on sales-type leases													
Lease income - operating leases													
Variable lease income													
Total lease income													
2023													
2023													
2023													
Lease income - interest income on sales-type leases													
Lease income - interest income on sales-type leases													
Lease income - interest income on sales-type leases													
Lease income - operating leases													
Variable lease income													
Total lease income													
2022													
2022													
2022													
Lease income - interest income on sales-type leases													
Lease income - interest income on sales-type leases													
Lease income - interest income on sales-type leases													
Lease income - operating leases													
Variable lease income													
Total lease income													
2021													
2021													
2021													

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Lease income - interest income on sales-type leases
Lease income - interest income on sales-type leases
Lease income - interest income on sales-type leases
Lease income - operating leases
Variable lease income
Total lease income

Lease payments received under tolling arrangements and PPAs consist of either scheduled payments or variable payments based on the amount of energy produced by the underlying electric generating units. Lease income related to PPAs for Alabama Power and Southern Power is included in wholesale revenues. revenues for Alabama Power, Georgia Power, and Southern Power. Scheduled payments to be received under outdoor lighting contracts, contracts' initial terms, tolling arrangements, and PPAs accounted for as leases are presented in the following maturity analyses.

COMBINED NOTES TO FINANCIAL STATEMENTS

Mississippi Power has a tolling arrangement accounted for as a sales-type lease. During 2021, Mississippi Power completed construction of additional leased assets under the lease and, upon completion, the book value of $39 million was transferred from CWIP to lease receivables. The transfer represented a non-cash investing transaction for purposes of the statements of cash flows.

During 2021, Southern Power completed construction of a portion of the Garland and Tranquillity battery energy storage facilities' assets and recorded losses totaling $40 million upon commencement of the related PPAs, which Southern Power accounts for as sales-type leases. The losses were due to ITCs retained and expected to be realized by Southern Power and its partners in these projects, and no estimated residual asset value was assumed in calculating the losses. Each lease had an initial term of 20 years. Upon commencement of the leases, the book values of the related assets totaling $210 million were derecognized from CWIP and lease receivables were recorded. The transfers represented noncash investing transactions for purposes of the statement of cash flows. See Note 15 under "Southern Power" for additional information.

The undiscounted cash flows expected to be received for in-service leased assets under the leases are as follows:

	At December 31, 2023			At December 31, 2024		
	Southern Company	Southern Company	Mississippi Power	Southern Power	Southern Company	Mississippi Power	Southern Power
		(in millions)			*(in millions)*		
2024							
2025							
2026							
2027							
2028							
2029							
Thereafter							
Total undiscounted cash flows							
Net investment in sales-type lease(*)							
Difference between undiscounted cash flows and discounted cash flows							

(*) For Mississippi Power, included in other current assets ($10 million and $10 million at December 31, 2024 and 2023, respectively) and other property and investments ($129 million and $138 million at December 31, 2024 and 2023, respectively)on the balance sheets. For Southern Power, included in other current assets ($15 million and $15 million at December 31, 2023 December 31, 2024 and 2022, 2023, respectively) and net investment in sales-type leases ($148 143 million and $154 $148 million at December 31, 2023 December 31, 2024 and 2022, 2023, respectively) on the balance sheet. sheets.

The undiscounted cash flows to be received under operating leases and contracts accounted for as operating leases are as follows:

At December 31, 2023
At December 31, 2023
At December 31, 2023
At December 31, 2024
At December 31, 2024
At December 31, 2024

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	Southern Company	Southern Company	Alabama Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Southern Power	Southern Company Gas
	(in millions)					(in millions)			
2024									
2025									
2026									
2027									
2028									
2029									
Thereafter									
Total									

Southern Power receives payments for renewable energy under PPAs accounted for as operating leases that are considered contingent rents and are therefore not reflected in the table above. Alabama Power and Southern Power allocate revenue to the nonlease components of PPAs based on the stand-alone selling price of capacity and energy. The undiscounted cash flows to be received under outdoor lighting contracts accounted for as operating leases at Georgia Power and Mississippi Power are immaterial.

Southern Company Leveraged Lease

At December 31, 2020 December 31, 2024, a subsidiary of Southern Holdings had four leveraged lease agreements related to energy generation, distribution, and transportation assets, including two domestic and two international projects. During 2021, one of the domestic

projects was sold and the agreements for both international projects were terminated. At December 31, 2023, the one remaining leveraged lease agreement, which relates to energy generation, had with an expected remaining term of eight seven years. Southern Company continues to receive receives federal income tax deductions for depreciation and amortization, as well as interest on long-term debt, related to this investment. Southern Company wrote off the related investment balance in 2020 following an evaluation of the recoverability of the lease receivable and the expected residual value of the generation assets at the end of the lease.

The following table provides a summary of the components of income related to leveraged lease investments. Income was impacted in 2021 by the impairment charges discussed below and in Note 15 under "Southern Company." Income in 2021 does not include the impacts of the sale and terminations of leveraged lease projects discussed in Note 15 under "Southern Company."

	2021
	(in millions)
Pretax leveraged lease income	$ 17
Income tax expense	(5)
Net leveraged lease income	$ 12

In June 2022, the Southern Holdings subsidiary operating the generating plant for the lessee provided notice to the lessee to terminate the related operating and maintenance agreement effective June 30, 2023. Subsequently, the lessee failed to make the semi-annual lease payment due in December 2022. As a result, the Southern Holdings subsidiary was unable to make its corresponding payment to the holders of the underlying non-recourse debt related to the generation assets. The parties to the lease entered into forbearance agreements which suspended the related contractual rights of the parties while they continued restructuring negotiations, during which the termination date for the operating and maintenance agreement was delayed until July 31, 2023. The negotiations were completed on July 14, 2023, in July 2023, resulting in the Southern Holdings subsidiary agreeing to continue operating the plant for the lessee until the lessee's associated power off-take agreement ends in 2032, subject to certain terms and

conditions. The restructuring had no material impact on Southern Company's financial statements. Southern Company will continue to monitor the operational performance of the underlying assets and evaluate the ability of the lessee to continue to meet its obligations, including those associated with a future closure or retirement of the generation assets and associated properties, including the dry ash landfill.

10. INCOME TAXES

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Southern Company files a consolidated federal income tax return and the Registrants file various state income tax returns, some of which are combined or unitary. Under a joint consolidated income tax allocation agreement, each Southern Company subsidiary's current and deferred tax expense is computed on a stand-alone basis, and each subsidiary is allocated an amount of tax similar to that which would be paid if it filed a separate income tax return. return except for certain credit utilization and state apportionment results. In accordance with IRS regulations, each company is jointly and severally liable for the federal tax liability.

Current and Deferred Income Taxes

Details of income tax provisions are as follows:

	2024					
	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
			(in millions)			
Federal —						
Current	$ 221	$ 357	$ 200	$ 32	$ (112)	$ 84
Deferred	387	(111)	211	2	106	86
Total federal	608	246	411	34	(6)	170
State —						
Current	152	103	52	(1)	6	42
Deferred	209	11	140	14	(13)	46
Total state	361	114	192	13	(7)	88
Total	$ 969	$ 360	$ 603	$ 47	$ (13)	$ 258

	2023					
	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
			(in millions)			
Federal —						
Current	$ 54	$ 242	$ 205	$ 49	$ (320)	$ 62
Deferred	299	(257)	195	(26)	334	68
Total federal	353	(15)	400	23	14	130
State —						
Current	41	82	37	1	(1)	24
Deferred	102	14	11	12	(1)	57
Total state	143	96	48	13	(2)	81
Total	$ 496	$ 81	$ 448	$ 36	$ 12	$ 211

COMBINED NOTES TO FINANCIAL STATEMENTS

	2022					
	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
			(in millions)			
Federal —						
Current	$ 10	$ 54	$ 38	$ 42	$ (43)	$ 122
Deferred	455	259	152	(16)	56	(3)
Total federal	465	313	190	26	13	119
State —						
Current	27	14	(21)	—	2	42
Deferred	303	96	201	11	5	19
Total state	330	110	180	11	7	61

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Total	$	795	$	423	$	370	$	37	$	20	$	180	

	2021							2022					
	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Federal —													
Current													
Current													
Current													
Deferred													
Total federal													
State —													
Current													
Current													
Current													
Deferred													
Total state													
Total													

Southern Company's and Southern Power's ITCs and PTCs generated in the current tax year and carried forward from prior tax years that cannot be utilized or transferred in the current tax year are reclassified from current to deferred taxes in federal income tax expense in the tables above. Southern Power's ITCs and PTCs reclassified in this manner include $5 million for were immaterial in 2024 and 2023 and $17 million for 2022, and $6 million for 2021. in 2022. Southern Power received $332 million $71 million, $49 million $332 million, and $289 million $49 million of cash related to federal ITCs under renewable energy initiatives in 2024, 2023, 2022, and 2021. 2022, respectively. See "Deferred Tax Assets and Liabilities" herein for additional information.

In accordance with regulatory requirements, deferred federal ITCs for the traditional electric operating companies are amortized over the average life of the related property, with such amortization normally applied as a credit to reduce depreciation and amortization in the statements of income. Southern Power's and the natural gas distribution utilities' deferred federal ITCs, as well as certain state ITCs for Nicor Gas, are amortized to income tax expense over the life of the respective asset. ITCs amortized in 2024, 2023, 2022, and 2021 2022 were immaterial for the traditional electric operating companies and Southern Company Gas and were as follows for Southern Company and Southern Power:

	Southern Company	Southern Company	Southern Power	Southern Company	Southern Power
			(in millions)		
2024					
2023					
2022					
2021					

When Southern Power recognizes tax credits, the tax basis of the asset is reduced by 50% of the ITCs received, resulting which, together with the deferred credit, results in a net deferred tax asset. Southern Power has elected to recognize the tax benefit of this basis difference as a reduction to income tax expense in the year in which the plant reaches commercial operation.

COMBINED NOTES TO FINANCIAL STATEMENTS

State ITCs and other state credits, which are recognized in the period in which the credits are generated, reduced Georgia Power's income tax expense by $44 million in 2024, $49 million in 2023, and $53 million in 2022, and $66 million in 2021. 2022.

Southern Power's federal and state PTCs, which are recognized in the period in which the credits are generated, reduced Southern Power's income tax expense by $32 million in 2024, $26 million in 2023, and $27 million in 2022, 2022.

In 2024, Alabama Power, Georgia Power, and $16 million in 2021.

During the fourth quarter 2023, Southern Power executed an agreement entered into transferability agreements with non-affiliated parties to transfer certain sell ITCs and PTCs at a discount to the generated credit value in 2023 2024, 2025, and 2026. Georgia Power and Southern Power received cash of $12 million. $11 million and $24 million, respectively, from credits transferred during the year. The discount will be recorded as a reduction in tax credits recognized was booked in the financial statements. The Southern Company system continues to explore the ability to efficiently monetize its tax credits through income tax expense and was immaterial. third-party transferability agreements.

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Pursuant to the Global Amendments to the Vogtle Joint Ownership Agreements, (as defined in Note 2 under "Georgia Power – Nuclear Construction – Joint Owner Contracts"), Georgia Power paid $131 million in 2024 and $39 million in 2023 to the other Vogtle Owners for advanced nuclear PTCs for Plant Vogtle Unit 3. 3 and 4, which were utilized and not reflected as a reduction to current income tax expense. The gain gains recognized in 2023 was booked through both periods were recorded in income tax benefit and was were immaterial.

COMBINED NOTES TO FINANCIAL STATEMENTS

Effective Tax Rate

Southern Company's effective tax rate is typically lower than the statutory rate due to employee stock plans' dividend deduction, non-taxable AFUDC equity at the traditional electric operating companies, flowback of excess deferred income taxes at the regulated utilities, and federal income tax benefits from ITCs and PTCs primarily at Southern Power, Georgia Power, and Alabama Power.

In July 2021, Southern Company Gas affiliates completed the sale of Sequent. As a result of the sale, changes in state apportionment rates resulted in $85 million of additional net state tax expense. See Note 15 under "Southern Company Gas" for additional information.

A reconciliation of the federal statutory income tax rate to the effective income tax (benefit) rate is as follows:

	2023										2024									
	Southern Company		Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas			Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas				
Federal statutory rate	Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %						
State income tax, net of federal deduction																				
Changes in valuation allowance, net of federal benefit																				
Employee stock plans' dividend deduction																				
Non-deductible book depreciation																				
Flowback of excess deferred income taxes																				
AFUDC-Equity																				
Federal PTCs																				
ITC amortization																				
Noncontrolling interests																				
Other																				
Other																				
Other																				
Effective income tax (benefit) rate	Effective income tax (benefit) rate	11.4 %	5.6 %	17.7 %	16.2 %	5.1 %	25.6 %	Effective income tax (benefit) rate	18.5 %	20.4 %	19.2 %	19.2 %	(7.6) %	25.8 %						

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	2023					
	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
State income tax, net of federal deduction	2.9	5.2	2.1	4.9	(0.7)	7.8
Changes in valuation allowance, net of federal benefit	(0.3)	—	(0.6)	—	—	—
Employee stock plans' dividend deduction	(0.5)	—	—	—	—	—
Non-deductible book depreciation	0.7	0.7	0.8	0.4	—	—
Flowback of excess deferred income taxes	(9.2)	(19.8)	(2.6)	(10.2)	—	(2.6)
AFUDC-Equity	(1.1)	(1.2)	(1.2)	—	—	—
Federal PTCs	(1.2)	—	(1.4)	—	(7.4)	—
ITC amortization	(1.3)	(0.1)	(0.1)	—	(19.0)	—
Noncontrolling interests	0.6	—	—	—	11.1	—
Other	(0.2)	(0.2)	(0.3)	0.1	0.1	(0.6)
Effective income tax rate	11.4 %	5.6 %	17.7 %	16.2 %	5.1 %	25.6 %

COMBINED NOTES TO FINANCIAL STATEMENTS

	2022					
	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
State income tax, net of federal deduction	6.2	4.8	6.5	4.4	1.9	6.4
Employee stock plans' dividend deduction	(0.5)	—	—	—	—	—
Non-deductible book depreciation	0.6	0.5	0.6	0.3	—	—
Flowback of excess deferred income taxes	(6.6)	(1.9)	(9.6)	(7.8)	—	(2.5)
AFUDC-Equity	(1.1)	(0.8)	(1.5)	—	—	—
Federal PTCs	—	—	—	—	(6.6)	—
ITC amortization	(1.3)	(0.1)	(0.1)	—	(17.2)	(0.1)
Noncontrolling interests	0.5	—	—	—	8.4	—
Other	—	0.3	—	0.3	(0.1)	(0.9)
Effective income tax (benefit) rate	18.8 %	23.8 %	16.9 %	18.2 %	7.4 %	23.9 %

	2021							2022						
	Southern Company		Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas		Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
Federal statutory rate	Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	Federal statutory rate	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %	21.0 %
State income tax, net of federal deduction														
Changes in valuation allowance, net of federal benefit														

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Employee stock plans' dividend deduction						
Non-deductible book depreciation						
Flowback of excess deferred income taxes						
AFUDC-Equity						
Federal PTCs						
Federal PTCs						
Federal PTCs						
ITC amortization						
Noncontrolling interests						
Noncontrolling interests						
Noncontrolling interests						
Noncontrolling interests						
Noncontrolling interests						
Leveraged lease impairments and dispositions						
Other						
Effective income tax (benefit) rate	10.4 %	22.9 %	(40.2) %	11.7 %	(8.3) %	33.8 %
Other						
Other						
Effective income tax rate	18.8 %	23.8 %	16.9 %	18.2 %	7.4 %	23.9 %

COMBINED NOTES TO FINANCIAL STATEMENTS

Deferred Tax Assets and Liabilities

The tax effects of temporary differences between the carrying amounts of assets and liabilities in the financial statements of the Registrants and their respective tax bases, which give rise to deferred tax assets and liabilities, are as follows:

	December 31, 2023							December 31, 2024						
	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)												
Deferred tax liabilities —													
Accelerated depreciation													
Accelerated depreciation													
Accelerated depreciation													
Property basis differences													
Employee benefit obligations													
AROs													
Under recovered fuel and natural gas costs													

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Regulatory assets –
AROs
AROs
AROs
Employee benefit obligations
Remaining book value of retired assets
Storm damage reserves
Premium on reacquired debt
Other
Total deferred income tax liabilities
Deferred tax assets —
AROs
AROs
AROs
CAMT carryforwards
ITC and PTC carryforwards
Employee benefit obligations
Estimated loss on plants under construction
Estimated loss on regulatory disallowance
Other state deferred tax attributes
Federal effect of net state deferred tax liabilities
Other property basis differences
State effect of federal deferred taxes
Other partnership basis differences
Regulatory liability associated with the Tax Reform Legislation (not subject to normalization)
Long-term debt fair value adjustment
Other comprehensive losses
Other
Total deferred income tax assets
Valuation allowance
Net deferred income tax assets
Net deferred income taxes (assets)/liabilities
Recognized in the balance sheets:
Recognized in the balance sheets:
Recognized in the balance sheets:
Accumulated deferred income taxes – assets
Accumulated deferred income taxes – assets
Accumulated deferred income taxes – assets
Accumulated deferred income taxes – liabilities

COMBINED NOTES TO FINANCIAL STATEMENTS

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	December 31, 2022							December 31, 2023						
	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Deferred tax liabilities —													
Accelerated depreciation													
Accelerated depreciation													
Accelerated depreciation													
Property basis differences													
Employee benefit obligations													
Employee benefit obligations													
Employee benefit obligations													
AROs													
Under recovered fuel and natural gas costs													
Regulatory assets –													
AROs													
AROs													
AROs													
Employee benefit obligations													
Employee benefit obligations													
Employee benefit obligations													
Remaining book value of retired assets													
Premium on reacquired debt													
Other													
Total deferred income tax liabilities													
Deferred tax assets —													
AROs													
AROs													
AROs													
ITC and PTC carryforwards													
Employee benefit obligations													
Estimated loss on plants under construction													
Estimated loss on regulatory disallowance													
Other state deferred tax attributes													
Federal effect of net state deferred tax liabilities													
Other property basis differences													
State effect of federal deferred taxes													
Other partnership basis differences													
Other partnership basis differences													
Other partnership basis differences													
Regulatory liability associated with the Tax Reform Legislation (not subject to normalization)													
Long-term debt fair value adjustment													
Other comprehensive losses													
Other													

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Total deferred income tax assets
Valuation allowance
Net deferred income tax assets
Net deferred income taxes (assets)/liabilities
Recognized in the balance sheets:
Recognized in the balance sheets:
Recognized in the balance sheets:
Accumulated deferred income taxes – assets
Accumulated deferred income taxes – assets
Accumulated deferred income taxes – assets
Accumulated deferred income taxes – liabilities

The traditional electric operating companies and the natural gas distribution utilities have tax-related regulatory assets (deferred income tax charges) and regulatory liabilities (deferred income tax credits). The regulatory assets are primarily attributable to tax benefits flowed through to customers in prior years, deferred taxes previously recognized at rates lower than the current enacted tax law, and taxes applicable to capitalized interest. The regulatory liabilities are primarily attributable to deferred taxes previously recognized at rates higher than the current enacted tax law and to unamortized ITCs. See Note 2 for each Registrant's related balances at December 31, 2023 December 31, 2024 and 2022. 2023.

COMBINED NOTES TO FINANCIAL STATEMENTS

Tax Credit Carryforwards

Federal ITC/PTC carryforwards at December 31, 2023 December 31, 2024 were as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Southern Power	Southern Company	Alabama Power	Georgia Power	Southern Power
				(in millions)					
Federal ITC/PTC carryforwards									
Tax year in which federal ITC/PTC carryforwards begin expiring	Tax year in which federal ITC/PTC carryforwards begin expiring	2031	2032	2031	2035	Tax year in which federal ITC/PTC carryforwards begin expiring	2031	2032	2031	2035
Year by which federal ITC/PTC carryforwards are expected to be utilized	Year by which federal ITC/PTC carryforwards are expected to be utilized	2029		2028	2029	Year by which federal ITC/PTC carryforwards are expected to be utilized				2028

The estimated tax credit utilization reflects the various transactions described in Note 15 and could be impacted by numerous factors, including the acquisition or construction of additional renewable projects, changes in taxable income projections, transfer of eligible credits, potential income tax rate changes, and remaining final guidance on the ultimate implementation of the natural gas safe harbor method for repairs. IRA. In the third quarter 2023 and the second quarter 2024, Georgia Power started generating advanced nuclear PTCs for Plant Vogtle Unit Units 3 and 4, respectively, beginning on the each unit's respective in-service date of July 31, 2023. date. In addition, pursuant to the Global Amendments to the Vogtle Joint Ownership Agreements, (as defined in Note 2 under "Georgia Power – Nuclear Construction – Joint Owner Contracts"), Georgia Power is purchasing advanced nuclear PTCs for Plant Vogtle Unit 3 and 4 from the other Vogtle Owners. See Note 2 under "Georgia Power – Nuclear Construction" for additional information on Plant Vogtle Units 3 and 4.

At December 31, 2023 December 31, 2024, Southern Company and Georgia Power also had approximately $452 million $515 million and $472 million, respectively, in net state investment and other net state tax credit carryforwards for the State of Georgia that will expire between tax years 2023 2024 and 2032 2033 and are not expected to be fully utilized. Southern Company and Georgia Power has have a net state valuation allowance of $60 million $161 million and $124 million, respectively, associated with these carryforwards. carryforwards, which increased during 2024 by $101 million and $64 million, respectively.

At December 31, 2024, Southern Company and certain subsidiaries also had approximately $40 million in net CAMT carryforwards that have an indefinite carryforward period and are expected to be fully utilized by 2031.

The ultimate outcome of these matters cannot be determined at this time.

Net Operating Loss Carryforwards

At December 31, 2023 December 31, 2024, the net state income tax benefit of state and local NOL carryforwards and associated valuation allowances for Southern Company's subsidiaries were as follows:

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Company/Jurisdiction	Company/Jurisdiction	Approximate Net State Income Tax Benefit of NOL Carryforwards	Tax Year NOL Begins Expiring	Company/Jurisdiction	Approximate Net State Income Tax Benefit of NOL Carryforwards	Tax Year NOL Begins Expiring	Net State Valuation Allowance for NOL Carryforwards
					(in millions)		
Mississippi Power							
Mississippi Power							
Mississippi Power							
Mississippi							
Mississippi							
Mississippi		$ 183	2032	2032			
Southern Power							
Southern Power							
Southern Power							
Oklahoma							
Oklahoma							
Oklahoma		26	2035	2035			
Florida	Florida	10	2034	2034			
Other states	Other states	2	Various	Various			
Southern Power Total							
Other(*)							
Other(*)							
Other(*)							
New York							
New York							
New York		11	2036	2036			
New York City	New York City	14	2036	2036			
Other states	Other states	30	Various	Various			
Southern Company Total							

(*) Represents other non-registrant Southern Company subsidiaries. Alabama Power, Georgia Power, and Southern Company Gas did not have material state or local NOL carryforwards at December 31, 2023 December 31, 2024.

Certain state NOLs are not expected to be fully utilized prior to expiration. The ultimate outcome of these matters cannot be determined at this time.

COMBINED NOTES TO FINANCIAL STATEMENTS

State NOLs for Mississippi, Oklahoma, and Florida are not expected to be fully utilized prior to expiration. At December 31, 2023, Mississippi Power had a net state valuation allowance of $32 million for the Mississippi NOL, Southern Power had net state valuation allowances of $11 million for the Oklahoma NOL and $10 million for the Florida NOL, and Southern Company had a net valuation allowance of $25 million for the New York and New York City NOLs.

The ultimate outcome of these matters cannot be determined at this time.

Unrecognized Tax Benefits

Changes in unrecognized tax benefits for the periods presented were as follows:

	Southern Company	Southern Company	Georgia Power	Southern Company Gas	Southern Company	Georgia Power	Southern Company Gas
				(in millions)			
Unrecognized tax benefits at December 31, 2020							
Tax positions changes –							
Increase from prior periods							

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Increase from prior periods	
Increase from prior periods	
Unrecognized tax benefits at December 31, 2021	
Tax positions changes –	
Tax positions changes —	
Increase from prior periods	
Increase from prior periods	
Increase from prior periods	
Unrecognized tax benefits at December 31, 2022	
Tax positions changes –	
Tax positions changes —	
Increase from prior periods	
Increase from prior periods	
Increase from prior periods	
Statute of limitations expiration	
Unrecognized tax benefits at December 31, 2023	
Tax positions changes —	
Increase from prior periods	
Increase from prior periods	
Increase from prior periods	
Decrease from prior periods	
Unrecognized tax benefits at December 31, 2024	

The unrecognized tax positions increase from prior periods for 2022 is primarily related to the amendment of certain 2018 state tax filing positions related to Southern Company Gas dispositions. If accepted by the states, these positions would decrease Southern Company's and Southern Company Gas' annual effective tax rates. The ultimate outcome of these unrecognized tax benefits is dependent on acceptance by each state and is not expected to be resolved within the next 12 months.

The unrecognized tax positions increase from prior periods for 2023 are is primarily related to the amendment of certain 2019 through 2021 state tax filing positions related to tax credit utilization, a portion of which decreased in the fourth quarter 2023 due to a statute of limitations expiration. If effective settlement of the positions is favorable, these positions would decrease Southern Company's and Georgia Power's annual effective tax rates. The ultimate outcome of this unrecognized tax benefit, of which a portion is expected to be resolved within the next 12 months, is dependent on acceptance by the state or expiration of related statute of limitations.

The unrecognized tax positions reductions due to statute of limitations expiration for 2023 primarily relates relate to a 2019 state tax filing position to exclude certain gains from 2019 dispositions from taxation in a certain unitary state. This tax position and related interest was recognized in the fourth quarter 2023 and decreased Southern Company's annual effective tax rate.

The unrecognized tax positions increase from prior periods for 2024 is primarily related to a certain state tax filing position at Southern Company Gas. If effective settlement of this position is favorable, this position would decrease Southern Company's and Southern Company Gas' annual effective tax rates. The ultimate outcome is dependent on acceptance by the state.

The unrecognized tax positions decrease from prior periods for 2024 is primarily related to the 2019 and 2020 amended state filing positions related to tax credit utilization at Georgia Power.

All of the Registrants classify interest on tax uncertainties as interest expense. Accrued interest for all tax positions was immaterial for all years presented. None of the Registrants accrued any penalties on uncertain tax positions.

The IRS has finalized its audits of Southern Company's consolidated federal income tax returns through 2022. 2023. Southern Company is a participant in the Compliance Assurance Process of the IRS. The IRS has selected six Southern Power partnership returns for exam for the 2020 and 2021 tax years. One audit for 2021 is still under review, and the remaining audits have been closed with no change. The ultimate outcome of this matter cannot be determined at this time. The audits for the Registrants' state income tax returns have either been concluded, or the statute of limitations has expired, for years prior to 2015. 2018.

11. RETIREMENT BENEFITS

The Southern Company system has a qualified defined benefit, trusteed pension plan covering substantially all employees, with the exception of PowerSecure employees. The qualified pension plan is funded in accordance with requirements of the Employee Retirement Income Security Act of 1974, as amended (ERISA). No contributions to the qualified pension plan were made for the year ended December 31, 2023 December 31, 2024 and no mandatory contributions to the qualified pension plan are anticipated for the year ending December 31, 2024 December 31, 2025. The Southern Company system also provides certain non-qualified defined benefits for a select group of management and highly compensated employees, which are funded on a cash basis. In addition, the Southern Company system

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provides certain medical care and life insurance benefits for retired employees through other postretirement benefit plans. The traditional electric operating companies fund other postretirement trusts to the extent required by their respective regulatory

COMBINED NOTES TO FINANCIAL STATEMENTS

commissions. Southern Company Gas has a separate unfunded supplemental retirement health care plan that provides medical care and life insurance benefits to employees of discontinued businesses. For the year ending December 31, 2024 December 31, 2025, no contributions to any other postretirement trusts are expected.

Actuarial Assumptions

The weighted average rates assumed in the actuarial calculations used to determine both the net periodic costs for the pension and other postretirement benefit plans for the following year and the benefit obligations as of the measurement date are presented below.

	2023						2024					
Assumptions used to determine net periodic costs:	**Southern Company**	**Alabama Power**	**Georgia Power**	**Mississippi Power**	**Southern Power**	**Southern Company Gas**	**Assumptions used to determine net periodic costs:**	**Southern Company**	**Alabama Power**	**Georgia Power**	**Mississippi Power**	**Southern Power**	**Southern Company Gas**
Pension plans													
Discount rate – benefit obligations													
Discount rate – benefit obligations													
Discount rate – benefit obligations	**5.25 %**	**5.26 %**	**5.25 %**	**5.25 %**	**5.31 %**	**5.24 %**		**5.07 %**	**5.08 %**	**5.06 %**	**5.06 %**	**5.14 %**	**5.05 %**
Discount rate – interest costs													
Discount rate – service costs													
Expected long-term return on plan assets													
Annual salary increase													
Other postretirement benefit plans													
Discount rate – benefit obligations													
Discount rate – benefit obligations													
Discount rate – benefit obligations	**5.18 %**	**5.20 %**	**5.17 %**	**5.17 %**	**5.24 %**	**5.16 %**		**4.99 %**	**5.01 %**	**4.98 %**	**4.98 %**	**5.06 %**	**4.98 %**
Discount rate – interest costs													
Discount rate – service costs													
Expected long-term return on plan assets													
Annual salary increase													

	2022	2023

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Assumptions used to determine net periodic costs:	Assumptions used to determine net periodic costs:	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Assumptions used to determine net periodic costs:	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
Pension plans														
Discount rate – benefit obligations														
Discount rate – benefit obligations														
Discount rate – benefit obligations		3.09 %	3.12 %	3.07 %	3.07 %	3.21 %	3.04 %		5.25 %	5.26 %	5.25 %	5.25 %	5.31 %	5.24 %
Discount rate – interest costs														
Discount rate – service costs														
Expected long-term return on plan assets														
Annual salary increase														
Other postretirement benefit plans														
Discount rate – benefit obligations														
Discount rate – benefit obligations														
Discount rate – benefit obligations		2.90 %	2.95 %	2.87 %	2.88 %	3.07 %	2.82 %		5.18 %	5.20 %	5.17 %	5.17 %	5.24 %	5.16 %
Discount rate – interest costs														
Discount rate – service costs														
Expected long-term return on plan assets														
Annual salary increase														

COMBINED NOTES TO FINANCIAL STATEMENTS

		2021							2022					
Assumptions used to determine net periodic costs:	Assumptions used to determine net periodic costs:	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Assumptions used to determine net periodic costs:	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
Pension plans														
Discount rate – benefit obligations														

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Discount rate – benefit obligations																						
Discount rate – benefit obligations	2.81	%	2.85	%	2.79	%	2.80	%	2.99	%	2.75	%	3.09	%	3.12	%	3.07	%	3.07	%	3.21	%	3.04	%
Discount rate – interest costs																						
Discount rate – service costs																						
Expected long-term return on plan assets																						
Annual salary increase																						
Other postretirement benefit plans																						
Discount rate – benefit obligations																						
Discount rate – benefit obligations																						
Discount rate – benefit obligations	2.56	%	2.63	%	2.52	%	2.53	%	2.78	%	2.46	%	2.90	%	2.95	%	2.87	%	2.88	%	3.07	%	2.82	%
Discount rate – interest costs																						
Discount rate – service costs																						
Expected long-term return on plan assets																						
Annual salary increase																						

	2024					
Assumptions used to determine benefit obligations:	**Southern Company**	**Alabama Power**	**Georgia Power**	**Mississippi Power**	**Southern Power**	**Southern Company Gas**
Pension plans						
Discount rate	**5.76 %**	**5.78 %**	**5.75 %**	**5.76 %**	**5.84 %**	**5.73 %**
Annual salary increase	**4.60**	**4.60**	**4.60**	**4.60**	**4.60**	**4.60**
Other postretirement benefit plans						
Discount rate	**5.64 %**	**5.67 %**	**5.61 %**	**5.63 %**	**5.73 %**	**5.62 %**
Annual salary increase	**4.60**	**4.60**	**4.60**	**4.60**	**4.60**	**4.60**

	2023					
Assumptions used to determine benefit obligations:	**Southern Company**	**Alabama Power**	**Georgia Power**	**Mississippi Power**	**Southern Power**	**Southern Company Gas**
Pension plans						
Discount rate	5.07 %	5.08 %	5.06 %	5.06 %	5.14 %	5.05 %
Annual salary increase	4.60	4.60	4.60	4.60	4.60	4.60
Other postretirement benefit plans						
Discount rate	4.99 %	5.01 %	4.98 %	4.98 %	5.06 %	4.98 %
Annual salary increase	4.60	4.60	4.60	4.60	4.60	4.60

	2022					
Assumptions used to determine benefit obligations:	**Southern Company**	**Alabama Power**	**Georgia Power**	**Mississippi Power**	**Southern Power**	**Southern Company Gas**
Pension plans						

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Discount rate	5.25 %	5.26 %	5.25 %	5.25 %	5.31 %	5.24 %
Annual salary increase	4.80	4.80	4.80	4.80	4.80	4.80
Other postretirement benefit plans						
Discount rate	5.18 %	5.20 %	5.17 %	5.17 %	5.24 %	5.16 %
Annual salary increase	4.80	4.80	4.80	4.80	4.80	4.80

The Registrants estimate the expected rate of return on pension plan and other postretirement benefit plan assets using a financial model to project the expected return on each current investment portfolio. The analysis projects an expected rate of return on each of the different asset classes in order to arrive at the expected return on the entire portfolio relying on each trust's target asset allocation and reasonable capital market assumptions. The financial model is based on four key inputs: anticipated returns by asset class (based in part on historical returns), each trust's target asset allocation, an anticipated inflation rate, and the projected impact of a periodic rebalancing of each trust's portfolio. The Registrants set the expected rate of return assumption using an arithmetic mean which represents the expected simple average return to be earned by the pension plan assets over any one year. The Registrants believe the use of the arithmetic mean is more compatible with the expected rate of return's function of estimating a single year's investment return.

COMBINED NOTES TO FINANCIAL STATEMENTS

An additional assumption used in measuring the accumulated other postretirement benefit obligations (APBO) was a weighted average medical care cost trend rate. The weighted average medical care cost trend rates used in measuring the APBO for the Registrants at December 31, 2023 December 31, 2024 were as follows:

	Initial Cost Trend Rate	Initial Cost Trend Rate	Ultimate Cost Trend Rate	Year That Ultimate Rate is Reached	Initial Cost Trend Rate	Ultimate Cost Trend Rate	Year That Ultimate Rate is Reached
Pre-65	Pre-65 7.00 %	4.50 %	2032	Pre-65 8.00 %	4.50 %	2033	
Post-65 medical	Post-65 medical 5.50	4.50	4.50	2032	2032 Post-65 medical 5.50	4.50	4.50	2033	2033
Post-65 prescription	Post-65 prescription 8.50	4.50	4.50	2032	2032 Post-65 prescription 11.00	4.50	4.50	2033	2033

Pension Plans

The total accumulated benefit obligation for the pension plans at December 31, 2023 December 31, 2024 and 2022 2023 was as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
December 31, 2024													
December 31, 2023													
December 31, 2022													

An actuarial loss gain of $0.5 billion $887 million and an actuarial gain loss of $3.9 billion $493 million were recorded for the annual remeasurement of the Southern Company system pension plans at December 31, 2023 December 31, 2024 and 2022, 2023, respectively, primarily due to an increase of 69 basis points and a decrease of 18 basis points and an increase of 216 basis points, respectively, in the overall discount rate used to calculate the benefit obligation as a result of higher market interest rates.

Changes in the projected benefit obligations and the fair value of plan assets during the plan years ended December 31, 2023 December 31, 2024 and 2022 2023 were as follows:

	2023							2024					
	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Change in benefit obligation													
Benefit obligation at beginning of year													
Benefit obligation at beginning of year													

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Benefit obligation at beginning of year	
Service cost	
Service cost	
Service cost	
Interest cost	
Benefits paid	
Benefits paid	
Benefits paid	
Actuarial loss	
Actuarial gain	
Balance at end of year	
Change in plan assets	
Fair value of plan assets at beginning of year	
Fair value of plan assets at beginning of year	
Fair value of plan assets at beginning of year	
Actual return on plan assets	
Actual return on plan assets	
Actual return on plan assets	
Employer contributions	
Benefits paid	
Fair value of plan assets at end of year	
Accrued asset	

COMBINED NOTES TO FINANCIAL STATEMENTS

	2022							2023					
	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Change in benefit obligation													
Benefit obligation at beginning of year													
Benefit obligation at beginning of year													
Benefit obligation at beginning of year													
Service cost													
Service cost													
Service cost													
Interest cost													
Benefits paid													
Actuarial gain													

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Actuarial loss	
Balance at end of year	
Change in plan assets	
Fair value of plan assets at beginning of year	
Fair value of plan assets at beginning of year	
Fair value of plan assets at beginning of year	
Actual loss on plan assets	
Actual loss on plan assets	
Actual loss on plan assets	
Actual return on plan assets	
Actual return on plan assets	
Actual return on plan assets	
Employer contributions	
Benefits paid	
Fair value of plan assets at end of year	
Accrued asset	

The projected benefit obligations for the qualified and non-qualified pension plans at December 31, 2023 December 31, 2024 are shown in the following table. All pension plan assets are related to the qualified pension plan.

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Projected benefit obligations:													
Qualified pension plan													
Qualified pension plan													
Qualified pension plan													
Non-qualified pension plan													

COMBINED NOTES TO FINANCIAL STATEMENTS

Amounts recognized in the balance sheets at December 31, 2023 December 31, 2024 and 2022 2023 related to the Registrants' pension plans consist of the following:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
December 31, 2024:													
Prepaid pension costs[(a)]													
Prepaid pension costs[(a)]													
Prepaid pension costs[(a)]													
Other regulatory assets, deferred[(b)]													
Other current liabilities													
Other current liabilities													
Other current liabilities													

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Employee benefit obligations(c)
Other regulatory liabilities, deferred
AOCI
December 31, 2023:
December 31, 2023:
December 31, 2023:
Prepaid pension costs(a)
Prepaid pension costs(a)
Prepaid pension costs(a)
Other regulatory assets, deferred(b)
Other current liabilities
Other current liabilities
Other current liabilities
Employee benefit obligations(c)
Other regulatory liabilities, deferred
AOCI
December 31, 2022:
December 31, 2022:
December 31, 2022:
Prepaid pension costs(a)
Prepaid pension costs(a)
Prepaid pension costs(a)
Other regulatory assets, deferred(b)
Other current liabilities
Other current liabilities
Other current liabilities
Employee benefit obligations(c)
Other regulatory liabilities, deferred
AOCI

(a) Included in prepaid pension and other postretirement benefit costs on Alabama Power's balance sheet and other deferred charges and assets on Southern Power's consolidated balance sheet.

(b) Amounts for Southern Company exclude regulatory assets of $155 million and $173 million at December 31, 2024 and $190 million at December 31, 2023 and 2022, 2023, respectively, associated with unamortized amounts in Southern Company Gas' pension plans prior to its acquisition by Southern Company.

(c) Included in other deferred credits and liabilities on Southern Power's consolidated balance sheets.

Presented below are the amounts included in regulatory assets at December 31, 2023 December 31, 2024 and 2022 2023 related to the portion of the defined benefit pension plan attributable to Southern Company, the traditional electric operating companies, and Southern Company Gas that had not yet been recognized in net periodic pension cost.

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
					(in millions)						
Balance at December 31, 2024											
Regulatory assets:											
Regulatory assets:											
Regulatory assets:											
Prior service cost											
Prior service cost											
Prior service cost											

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Net loss											
Regulatory amortization											
Total regulatory assets(*)											
Balance at December 31, 2023											
Balance at December 31, 2023											
Balance at December 31, 2023											
Regulatory assets:											
Regulatory assets:											
Regulatory assets:											
Prior service cost											
Prior service cost											
Prior service cost											
Net loss											
Regulatory amortization											
Total regulatory assets(*)											
Balance at December 31, 2022											
Balance at December 31, 2022											
Balance at December 31, 2022											
Regulatory assets:											
Regulatory assets:											
Regulatory assets:											
Prior service cost											
Prior service cost											
Prior service cost											
Net loss											
Regulatory amortization											
Total regulatory assets(*)											

(*) Amounts for Southern Company exclude regulatory assets of $155 million and $173 million at December 31, 2024 and $190 million at December 31, 2023 and 2022, 2023, respectively, associated with unamortized amounts in Southern Company Gas' pension plans prior to its acquisition by Southern Company.

COMBINED NOTES TO FINANCIAL STATEMENTS

The changes in the balance of regulatory assets related to the portion of the defined benefit pension plan attributable to Southern Company, the traditional electric operating companies, and Southern Company Gas for the years ended December 31, 2023 December 31, 2024 and 2022 2023 are presented in the following table:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
					(in millions)						
Regulatory assets (liabilities):(*)											
Balance at December 31, 2021											
Balance at December 31, 2021											
Balance at December 31, 2021											
Net (gain) loss											
Reclassification adjustments:											
Reclassification adjustments:											
Reclassification adjustments:											
Amortization of prior service costs											

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Amortization of prior service costs						
Amortization of prior service costs						
Amortization of net gain (loss)						
Amortization of regulatory assets(*)						
Total reclassification adjustments						
Total change						
Balance at December 31, 2022						
Balance at December 31, 2022						
Balance at December 31, 2022						
Net loss						
Reclassification adjustments:						
Reclassification adjustments:						
Reclassification adjustments:						
Amortization of prior service costs						
Amortization of prior service costs						
Amortization of prior service costs						
Amortization of net loss						
Amortization of regulatory assets(*)						
Total reclassification adjustments						
Total change						
Balance at December 31, 2023						
Net gain						
Reclassification adjustments:						
Reclassification adjustments:						
Reclassification adjustments:						
Amortization of prior service costs						
Amortization of prior service costs						
Amortization of prior service costs						
Amortization of net loss						
Amortization of regulatory assets(*)						
Total reclassification adjustments						
Total change						
Balance at December 31, 2024						

(*) Amounts for Southern Company exclude regulatory assets of $155 million and $173 million at December 31, 2024 and $190 million at December 31, 2023 and 2022, 2023, respectively, associated with unamortized amounts in Southern Company Gas' pension plans prior to its acquisition by Southern Company.

Presented below are the amounts included in AOCI at December 31, 2023 December 31, 2024 and 2022 2023 related to the portion of the defined benefit pension plan attributable to Southern Company, Southern Power, and Southern Company Gas that had not yet been recognized in net periodic pension cost.

	Southern Company	Southern Company	Southern Power	Southern Company Gas	Southern Company	Southern Power	Southern Company Gas
			(in millions)				
Balance at December 31, 2024							
AOCI:							
AOCI:							

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AOCI:	
Prior service cost	
Prior service cost	
Prior service cost	
Net (gain) loss	
Total AOCI	
Balance at December 31, 2023	
Balance at December 31, 2023	
Balance at December 31, 2023	
AOCI:	
AOCI:	
AOCI:	
Prior service cost	
Prior service cost	
Prior service cost	
Net (gain) loss	
Total AOCI	
Balance at December 31, 2022	
Balance at December 31, 2022	
Balance at December 31, 2022	
AOCI:	
AOCI:	
AOCI:	
Prior service cost	
Prior service cost	
Prior service cost	
Net (gain) loss	
Total AOCI	

COMBINED NOTES TO FINANCIAL STATEMENTS

The components of OCI related to the portion of the defined benefit pension plan attributable to Southern Company, Southern Power, and Southern Company Gas for the years ended December 31, 2023 December 31, 2024 and 2022 2023 are presented in the following table:

	Southern Company	Southern Company	Southern Power	Southern Company Gas	Southern Company	Southern Power	Southern Company Gas
			(in millions)				
AOCI:							
Balance at December 31, 2021							
Balance at December 31, 2021							
Balance at December 31, 2021							
Net gain							
Balance at December 31, 2022							
Balance at December 31, 2022							
Balance at December 31, 2022							
Net loss							
Reclassification adjustments:							
Reclassification adjustments:							
Reclassification adjustments:							

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Amortization of net gain (loss)	
Amortization of net gain (loss)	
Amortization of net gain (loss)	
Total change	
Total change	
Total change	
Balance at December 31, 2022	
Net loss	
Reclassification adjustments:	
Reclassification adjustments:	
Reclassification adjustments:	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of net loss	
Total reclassification adjustments	
Total change	
Balance at December 31, 2023	
Net gain	
Reclassification adjustments:	
Reclassification adjustments:	
Reclassification adjustments:	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of net gain	
Total reclassification adjustments	
Total change	
Balance at December 31, 2024	

COMBINED NOTES TO FINANCIAL STATEMENTS

Components of net periodic pension cost for the Registrants were as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
2024													
Service cost													
Service cost													
Service cost													
Interest cost													
Expected return on plan assets													
Recognized net loss(*)													
Net amortization(*)													
Prior service cost(*)													

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Net periodic pension income
2023
2023
2023
Service cost
Service cost
Service cost
Interest cost
Expected return on plan assets
Recognized net (gain) loss
Net amortization
Prior service cost
Net periodic pension cost (income)
Recognized net (gain) loss(*)
Net amortization(*)
Prior service cost(*)
Net periodic pension income
2022
2022
2022
Service cost
Service cost
Service cost
Interest cost
Expected return on plan assets
Recognized net loss
Net amortization
Prior service cost
Recognized net loss(*)
Net amortization(*)
Prior service cost(*)
Net periodic pension cost (income)
2021
2021
2021
Service cost
Service cost
Service cost
Interest cost
Expected return on plan assets
Recognized net loss
Net amortization
Prior service cost

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Net periodic pension cost (income)

(*) For Southern Company, excludes amounts related to net periodic pension cost of $20 million, $17 million, and $21 million for the years ended December 31, 2024, 2023, and 2022, respectively, associated with unamortized amounts in Southern Company Gas' pension plans prior to its acquisition by Southern Company.

The service cost component of net periodic pension cost is included in operations and maintenance expenses and all other components of net periodic pension cost are included in other income (expense), net in the Registrants' statements of income.

Net periodic pension cost is the sum of service cost, interest cost, and other costs netted against the expected return on plan assets. The expected return on plan assets is determined by multiplying the expected rate of return on plan assets and the market-related value of plan assets. In determining the market-related value of plan assets, the Registrants have elected to amortize changes in the market value of return-seeking plan assets over five years and to recognize the changes in the market value of liability-hedging plan assets immediately. Given the significant concentration in return-seeking plan assets, the accounting value of plan assets that is used to calculate the expected return on plan assets differs from the current fair value of the plan assets.

COMBINED NOTES TO FINANCIAL STATEMENTS

Future benefit payments reflect expected future service and are estimated based on assumptions used to measure the projected benefit obligation for the pension plans. At December 31, 2023 December 31, 2024, estimated benefit payments were as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Benefit Payments:													
2024													
2024													
2024													
2025													
2025													
2025													
2026													
2027													
2028													
2029 to 2033													
2029													
2030 to 2034													

Other Postretirement Benefits

Changes in the APBO and the fair value of the Registrants' plan assets during the plan years ended December 31, 2023 December 31, 2024 and 2022 2023 were as follows:

	2023							2024					
	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Change in benefit obligation													
Benefit obligation at beginning of year													
Benefit obligation at beginning of year													
Benefit obligation at beginning of year													

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Service cost	
Service cost	
Service cost	
Interest cost	
Benefits paid	
Actuarial (gain) loss	
Balance at end of year	
Balance at end of year	
Balance at end of year	
Change in plan assets	
Fair value of plan assets at beginning of year	
Fair value of plan assets at beginning of year	
Fair value of plan assets at beginning of year	
Actual return on plan assets	
Actual return on plan assets	
Actual return on plan assets	
Employer contributions	
Benefits paid	
Fair value of plan assets at end of year	
Accrued asset (liability)	

COMBINED NOTES TO FINANCIAL STATEMENTS

	2022							2023					
	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
	(in millions)												
Change in benefit obligation													
Benefit obligation at beginning of year													
Benefit obligation at beginning of year													
Benefit obligation at beginning of year													
Service cost													
Service cost													
Service cost													
Interest cost													
Benefits paid													
Actuarial gain													
Retiree drug subsidy													
Actuarial (gain) loss													
Balance at end of year													

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Balance at end of year
Balance at end of year
Change in plan assets
Fair value of plan assets at beginning of year
Fair value of plan assets at beginning of year
Fair value of plan assets at beginning of year
Actual loss on plan assets
Actual loss on plan assets
Actual loss on plan assets
Actual return on plan assets
Actual return on plan assets
Actual return on plan assets
Employer contributions
Benefits paid
Fair value of plan assets at end of year
Accrued asset (liability)

Amounts recognized in the balance sheets at December 31, 2023 December 31, 2024 and 2022 2023 related to the Registrants' other postretirement benefit plans consist of the following:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
December 31, 2024:													
Prepaid other postretirement benefit costs[a]													
Prepaid other postretirement benefit costs[a]													
Prepaid other postretirement benefit costs[a]													
Other regulatory assets, deferred[b]													
Other current liabilities													
Employee benefit obligations[c]													
Other regulatory liabilities, deferred													
AOCI													
December 31, 2023:													
December 31, 2023:													
December 31, 2023:													
Prepaid other postretirement benefit costs[a]													
Prepaid other postretirement benefit costs[a]													
Prepaid other postretirement benefit costs[a]													
Other regulatory assets, deferred[b]													

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Other current liabilities	
Employee benefit obligations(c)	
Other regulatory liabilities, deferred	
AOCI	
December 31, 2022:	
December 31, 2022:	
December 31, 2022:	
Prepaid other postretirement benefit costs(a)	
Prepaid other postretirement benefit costs(a)	
Prepaid other postretirement benefit costs(a)	
Other regulatory assets, deferred(b)	
Other current liabilities	
Employee benefit obligations(c)	
Other regulatory liabilities, deferred	
AOCI	

(a) Included in prepaid pension and other postretirement benefit costs on Alabama Power's balance sheet.

(b) Amounts for Southern Company exclude regulatory assets of $16 million and $24 million at December 31, 2024 and $32 million at December 31, 2023 and 2022, 2023, respectively, associated with unamortized amounts in Southern Company Gas' other postretirement benefit plans prior to its acquisition by Southern Company.

(c) Included in other deferred credits and liabilities on Southern Power's consolidated balance sheets.

COMBINED NOTES TO FINANCIAL STATEMENTS

Presented below are the amounts included in net regulatory assets (liabilities) at December 31, 2023 December 31, 2024 and 2022 2023 related to the other postretirement benefit plans of Southern Company, the traditional electric operating companies, and Southern Company Gas that had not yet been recognized in net periodic other postretirement benefit cost.

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
					(in millions)						
Balance at December 31, 2024:											
Regulatory assets (liabilities):											
Regulatory assets (liabilities):											
Regulatory assets (liabilities):											
Prior service cost											
Prior service cost											
Prior service cost											
Net gain											
Regulatory amortization											
Total regulatory assets (liabilities)(*)											

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Balance at December 31, 2023:	
Balance at December 31, 2023:	
Balance at December 31, 2023:	
Regulatory assets (liabilities):	
Regulatory assets (liabilities):	
Regulatory assets (liabilities):	
Prior service cost	
Prior service cost	
Prior service cost	
Net gain	
Regulatory amortization	
Total regulatory assets (liabilities)(*)	
Balance at December 31, 2022:	
Balance at December 31, 2022:	
Balance at December 31, 2022:	
Regulatory assets (liabilities):	
Regulatory assets (liabilities):	
Regulatory assets (liabilities):	
Prior service cost	
Prior service cost	
Prior service cost	
Net gain	
Regulatory amortization	
Total regulatory assets (liabilities)(*)	

(*) Amounts for Southern Company exclude regulatory assets of $16 million and $24 million at December 31, 2024 and $32 million at December 31, 2023 and 2022, 2023, respectively, associated with unamortized amounts in Southern Company Gas' other postretirement benefit plans prior to its acquisition by Southern Company.

The changes in the balance of net regulatory assets (liabilities) related to the other postretirement benefit plans for the plan years ended December 31, 2023 December 31, 2024 and 2022 2023 are presented in the following table:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
					(in millions)						
Net regulatory assets (liabilities):(*)											
Balance at December 31, 2021											
Balance at December 31, 2021											
Balance at December 31, 2021											
Net (gain) loss											
Reclassification adjustments:											
Reclassification adjustments:											
Reclassification adjustments:											
Amortization of prior service costs											
Amortization of prior service costs											
Amortization of prior service costs											
Amortization of net gain (loss)											
Amortization of regulatory assets(*)											
Total reclassification adjustments											

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Total change	
Balance at December 31, 2022	
Balance at December 31, 2022	
Balance at December 31, 2022	
Net gain	
Reclassification adjustments:	
Reclassification adjustments:	
Reclassification adjustments:	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of net gain	
Amortization of regulatory assets(*)	
Total reclassification adjustments	
Total change	
Balance at December 31, 2023	
Net (gain) loss	
Reclassification adjustments:	
Reclassification adjustments:	
Reclassification adjustments:	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of prior service costs	
Amortization of net gain	
Amortization of regulatory assets(*)	
Total reclassification adjustments	
Total change	
Balance at December 31, 2024	

(*) Amounts for Southern Company exclude regulatory assets of $16 million and $24 million at December 31, 2024 and $32 million at December 31, 2023 and 2022, 2023, respectively, associated with unamortized amounts in Southern Company Gas' other postretirement benefit plans prior to its acquisition by Southern Company.

COMBINED NOTES TO FINANCIAL STATEMENTS

Presented below are the amounts included in AOCI at December 31, 2023 December 31, 2024 and 2022 2023 related to the other postretirement benefit plans of Southern Company, Southern Power, and Southern Company Gas that had not yet been recognized in net periodic other postretirement benefit cost.

	Southern Company	Southern Company	Southern Power	Southern Company Gas	Southern Company	Southern Power	Southern Company Gas
			(in millions)				
Balance at December 31, 2024							
AOCI:							
AOCI:							
AOCI:							

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Net (gain) loss	
Net (gain) loss	
Net (gain) loss	
Balance at December 31, 2023	
Balance at December 31, 2023	
Balance at December 31, 2023	
AOCI:	
AOCI:	
AOCI:	
Prior service cost	
Prior service cost	
Prior service cost	
Net (gain) loss	
Total AOCI	
Balance at December 31, 2022	
Balance at December 31, 2022	
Balance at December 31, 2022	
AOCI:	
AOCI:	
AOCI:	
Prior service cost	
Prior service cost	
Prior service cost	
Net (gain) loss	
Total AOCI	

The components of OCI related to the other postretirement benefit plans for the plan years ended December 31, 2023 December 31, 2024 and 2022 2023 are presented in the following table:

	Southern Company	Southern Company	Southern Power	Southern Company Gas	Southern Company	Southern Power	Southern Company Gas
			(in millions)				
AOCI:							
Balance at December 31, 2021							
Balance at December 31, 2021							
Balance at December 31, 2021							
Net gain							
Reclassification adjustments:							
Reclassification adjustments:							
Reclassification adjustments:							
Amortization of net gain (loss)							
Amortization of net gain (loss)							
Amortization of net gain (loss)							
Total change							
Total change							
Total change							
Balance at December 31, 2022							
Balance at December 31, 2022							
Balance at December 31, 2022							
Net (gain) loss							
Reclassification adjustments:							
Reclassification adjustments:							
Reclassification adjustments:							

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Amortization of net gain (loss)	
Amortization of net gain (loss)	
Amortization of net gain (loss)	
Total change	
Total change	
Total change	
Balance at December 31, 2023	
Net gain	
Reclassification adjustments:	
Reclassification adjustments:	
Reclassification adjustments:	
Amortization of net gain (loss)	
Amortization of net gain (loss)	
Amortization of net gain (loss)	
Total change	
Total change	
Total change	
Balance at December 31, 2024	

COMBINED NOTES TO FINANCIAL STATEMENTS

Components of the other postretirement benefit plans' net periodic cost for the Registrants were as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
2024													
Service cost													
Service cost													
Service cost													
Interest cost													
Expected return on plan assets													
Net amortization(*)													
Net periodic other postretirement benefit cost (income)													
2023													
2023													
2023													
Service cost													
Service cost													
Service cost													
Interest cost													
Expected return on plan assets													
Net amortization													

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Net periodic postretirement benefit cost (income)													
Net amortization(*)													
Net periodic other postretirement benefit cost (income)													
2022													
2022													
2022													
Service cost													
Service cost													
Service cost													
Interest cost													
Expected return on plan assets													
Net amortization													
Net periodic postretirement benefit cost (income)													
2021													
2021													
2021													
Service cost													
Service cost													
Service cost													
Interest cost													
Expected return on plan assets													
Net amortization													
Net periodic postretirement benefit cost (income)													
Net amortization(*)													
Net periodic other postretirement benefit cost (income)													

(*) For Southern Company, excludes amounts related to net periodic other postretirement benefit cost of $8 million for all years presented associated with unamortized amounts in Southern Company Gas' other postretirement benefit plans prior to its acquisition by Southern Company.

The service cost component of net periodic other postretirement benefit cost is included in operations and maintenance expenses and all other components of net periodic other postretirement benefit cost are included in other income (expense), net in the Registrants' statements of income.

The Registrants' future benefit payments, including prescription drug benefits, are provided in the table below. These amounts reflect expected future service and are estimated based on assumptions used to measure the APBO for the other postretirement benefit plans.

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
Benefit payments:													
2024													
2024													
2024													
2025													
2025													
2025													
2026													
2027													

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2028
2029 to 2033
2029
2030 to 2034

COMBINED NOTES TO FINANCIAL STATEMENTS

Benefit Plan Assets

Pension plan and other postretirement benefit plan assets are managed and invested in accordance with all applicable requirements, including ERISA and the Internal Revenue Code. The Registrants' investment policies for both the pension plans and the other postretirement benefit plans cover a diversified mix of assets as described below. Derivative instruments may be used to gain efficient exposure to the various asset classes and as hedging tools. Additionally, the Registrants minimize the risk of large losses primarily through diversification but also monitor and manage other aspects of risk.

The investment strategy for plan assets related to the Southern Company system's qualified pension plan is to be broadly diversified across major asset classes. The asset allocation is established after consideration of various factors that affect the assets and liabilities of the pension plan including, but not limited to, historical and expected returns and interest rates, volatility, correlations of asset classes, the current level of assets and liabilities, and the assumed growth in assets and liabilities. Because a significant portion of the liability of the pension plan is long-term in nature, the assets are invested consistent with long-term investment expectations for return and risk. To manage the actual asset class exposures relative to the target asset allocation, the Southern Company system employs a formal rebalancing program. As additional risk management, external investment managers and service providers are subject to written guidelines to ensure appropriate and prudent investment practices. Management believes the portfolio is well-diversified with no significant concentrations of risk.

COMBINED NOTES TO FINANCIAL STATEMENTS

Investment Strategies and Benefit Plan Asset Fair Values

A description of the major asset classes that the pension and other postretirement benefit plans are comprised of, along with the valuation methods used for fair value measurement, is provided below:

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Description	Valuation Methodology
Domestic equity: A mix of large and small capitalization stocks with generally an equal distribution of value and growth attributes, managed both actively and through passive index approaches. **International equity:** A mix of large and small capitalization growth and value stocks with developed and emerging markets exposure, managed both actively and through fundamental indexing approaches.	Domestic and international equities such as common stocks, American depositary receipts, and real estate investment trusts that trade on public exchanges are classified as Level 1 investments and are valued at the closing price in the active market. Equity funds with unpublished prices that are comprised of publicly traded securities (such as commingled/pooled funds) are also valued at the closing price in the active market but are classified as Level 2.
Fixed income: A mix of domestic and international bonds.	Investments in fixed income securities, including fixed income pooled funds, are generally classified as Level 2 investments and are valued based on prices reported in the market place. Additionally, the value of fixed income securities takes into consideration certain items such as broker quotes, spreads, yield curves, interest rates, and discount rates that apply to the term of a specific instrument.
Trust-owned life insurance (TOLI): Investments of taxable trusts aimed at minimizing the impact of taxes on the portfolio.	Investments in TOLI policies are classified as Level 2 investments and are valued based on the underlying investments held in the policy's separate accounts. The underlying assets are equity and fixed income pooled funds that are comprised of Level 1 and Level 2 securities.
Real estate: Investments in equity or debt of real properties and in publicly traded real estate securities. **Special situations:** Investments in opportunistic strategies with the objective of diversifying and enhancing returns and exploiting short-term inefficiencies, as well as investments in promising new strategies of a longer-term nature. **Private equity:** Investments in private or public securities typically through privately-negotiated and/or structured transactions, including leveraged buyouts, venture capital, and distressed debt. **Private credit:** Investments focused on debt instruments, of which returns are driven by income rather than capital appreciation. **Infrastructure:** Investments in real assets, typically with long-term, predictable, and stable cash flows and a meaningful income component.	Investments in real estate, special situations, private equity, private credit, and infrastructure are typically invested in private partnerships and/or other pooled vehicles (Funds) (Investment Funds) which are generally classified as Net Asset Value as a Practical Expedient, since the Investment Funds and underlying assets are not publicly traded and/or often have liquidity restrictions. The managers of the Investment Funds value the assets using various inputs and techniques depending on the nature of the underlying investments. Techniques may include purchase multiples for comparable transactions, comparable public company trading multiples, discounted cash flow analysis, prevailing market capitalization rates, recent sales of comparable investments, and independent third-party appraisals. The total market value of each of the Investment Funds is determined by aggregating the value of the underlying assets less liabilities.

For purposes of determining the fair value of the pension plan and other postretirement benefit plan assets and the appropriate level designation, management relies on information provided by the plan's trustee. This information is reviewed and evaluated by management with changes made to the trustee information as appropriate. The fair values presented herein exclude cash, receivables related to investment income and pending investment sales, and payables related to pending investment purchases.

The fair values, and actual allocations relative to the target allocations, of the Southern Company system's pension plans at December 31, 2023 and 2022 are presented below.

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using						
At December 31, 2023:	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Net Asset Value as a Practical Expedient (NAV)**	**Total**	**Target Allocation**	**Actual Allocation**
	(in millions)						
Southern Company							
Assets:							
Equity:						41 %	40 %
Domestic equity	$ 1,959	$ 771	$ —	$ —	$ 2,730		
International equity	1,947	1,052	—	—	2,999		
Fixed income:						30	32

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U.S. Treasury, government, and agency bonds	—	1,973	—	—	1,973		
Mortgage- and asset-backed securities	—	44	—	—	44		
Corporate bonds	—	1,724	—	—	1,724		
Pooled funds	—	777	—	—	777		
Cash equivalents and other	371	58	—	—	429		
Real estate investments	369	—	—	1,684	2,053	12	14
Special situations	—	—	—	245	245	3	2
Private equity	—	—	—	1,761	1,761	9	12
Private credit	—	—	—	25	25	3	—
Infrastructure	—	—	—	—	—	2	—
Total	$ 4,646	$ 6,399	$ —	$ 3,715	$ 14,760	100 %	100 %
Alabama Power							
Assets:							
Equity:						41 %	40 %
Domestic equity	$ 476	$ 187	$ —	$ —	$ 663		
International equity	472	255	—	—	727		
Fixed income:						30	32
U.S. Treasury, government, and agency bonds	—	479	—	—	479		
Mortgage- and asset-backed securities	—	11	—	—	11		
Corporate bonds	—	418	—	—	418		
Pooled funds	—	188	—	—	188		
Cash equivalents and other	90	14	—	—	104		
Real estate investments	89	—	—	408	497	12	14
Special situations	—	—	—	59	59	3	2
Private equity	—	—	—	427	427	9	12
Private credit	—	—	—	6	6	3	—
Infrastructure	—	—	—	—	—	2	—
Total	$ 1,127	$ 1,552	$ —	$ 900	$ 3,579	100 %	100 %

The fair values, and actual allocations relative to the target allocations, of the Southern Company system's pension plans at December 31, 2024 and 2023 are presented below.

	Fair Value Measurements Using					
At December 31, 2024:	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Net Asset Value as a Practical Expedient (NAV)**	**Total**	**Target Allocation**	**Actual Allocation**
	(in millions)					
Southern Company						
Assets:						
Equity:					**41 %**	**41 %**
Domestic equity	**$ 2,095**	**$ 835**	**$ —**	**$ 2,930**		
International equity	**1,959**	**1,032**	**—**	**2,991**		
Fixed income:					**30**	**31**
U.S. Treasury, government, and agency bonds	**—**	**1,780**	**—**	**1,780**		
Mortgage- and asset-backed securities	**—**	**48**	**—**	**48**		
Corporate bonds	**—**	**1,715**	**—**	**1,715**		
Pooled funds	**—**	**792**	**—**	**792**		
Cash equivalents and other	**255**	**—**	**—**	**255**		
Real estate investments	**361**	**—**	**1,563**	**1,924**	**12**	**13**
Special situations	**—**	**—**	**237**	**237**	**3**	**2**
Private equity	**—**	**—**	**1,797**	**1,797**	**9**	**12**
Private credit	**—**	**—**	**152**	**152**	**3**	**1**

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Infrastructure	—	—	—	—	2	—
Total	$ 4,670	$ 6,202	$ 3,749	$ 14,621	100 %	100 %
Liabilities:						
Derivatives	$ —	$ (33)	$ —	$ (33)		
Total	$ 4,670	$ 6,169	$ 3,749	$ 14,588	100 %	100 %

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using											
	Fair Value Measurements Using											
	Fair Value Measurements Using											
	Quoted Prices in Active Markets for Identical Assets	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	Net Asset Value as a Practical Expedient				Significant Other Observable Inputs	Net Asset Value as a Practical Expedient		
At December 31, 2023:	(Level 1)	(Level 2)	(Level 3)	(NAV)	Total		Target Allocation	Actual Allocation				Target Allocation
At December 31, 2024:	(Level 1)	(Level 2)	(NAV)		(NAV)	Total						
		(in millions)		Actual Allocation								
Georgia Power												
Georgia Power												
Georgia Power												
Alabama Power												
Alabama Power												
Alabama Power												
Assets:												
Assets:												
Assets:												
Equity:												
Equity:												

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Equity:																									41 %	40 %
Domestic equity																										
International equity																										
International equity																										
International equity																										
Fixed income:																										
Fixed income:																										
Fixed income:																										
U.S. Treasury, government, and agency bonds																										
Mortgage- and asset-backed securities																										
Mortgage- and asset-backed securities																										
Mortgage- and asset-backed securities																										
Corporate bonds																										
Corporate bonds																										
Corporate bonds																										
Pooled funds																										
Pooled funds																										
Pooled funds																										
Cash equivalents and other																										
Cash equivalents and other																										
Cash equivalents and other																										
Real estate investments																										
Real estate investments																										
Real estate investments																										
Special situations																										
Private equity																										
Private credit																										
Infrastructure																										
Total	Total	$ 1,451	$ 2,001	$ —	$ 1,163	$4,615	100	100 %	100 %	Total	**$ 1,135**	**$1,509**	**$ $911**	**$3,555**	**100**	**100 %**										
Mississippi Power																										
Mississippi Power																										
Mississippi Power																										
Assets:																										
Assets:																										
Assets:																										

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Equity:				
Equity:				
Equity:	41	%	40	%
Domestic equity				
International equity				
International equity				
International equity				
Fixed income:				
Fixed income:				
Fixed income:				
U.S. Treasury, government, and agency bonds				
Mortgage- and asset-backed securities				
Mortgage- and asset-backed securities				
Mortgage- and asset-backed securities				
Corporate bonds				
Corporate bonds				
Corporate bonds				
Pooled funds				
Pooled funds				
Pooled funds				
Cash equivalents and other				
Cash equivalents and other				
Cash equivalents and other				
Real estate investments				
Real estate investments				
Real estate investments				
Special situations				
Private equity				
Private credit				
Infrastructure				
Liabilities:				
Derivatives				
Derivatives				
Derivatives				
Total				

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International equity																																
International equity																																
International equity																																
Fixed income:																																
Fixed income:																																
Fixed income:																																
U.S. Treasury, government, and agency bonds																																
Mortgage- and asset-backed securities																																
Mortgage- and asset-backed securities																																
Mortgage- and asset-backed securities																																
Corporate bonds																																
Corporate bonds																																
Corporate bonds																																
Pooled funds																																
Pooled funds																																
Pooled funds																																
Cash equivalents and other																																
Cash equivalents and other																																
Cash equivalents and other																																
Real estate investments																																
Real estate investments																																
Real estate investments																																
Special situations																																
Private equity																																
Private credit																																
Infrastructure																																
Total	Total	$	59	$	82	$	—	$	46	$187	100%	100%	100	%	Total	**$**	**1,451**	**$**	**1,924**	**$**	**$1,163**	**$4,538**	**100**	**100**	**%**	**10**
Liabilities:																																
Derivatives																																
Derivatives																																
Derivatives																																
Total																																
Total																																
Total		**$**	**1,451**	**$**	**1,914**	**$**	**1,163**	**$**	**4,528**	**100**	**%**	**100**	**%**																			
Southern Company Gas																																

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Southern Company Gas		
Southern Company Gas		
Assets:		
Assets:		
Assets:		
Equity:		
Equity:		
Equity:	41 %	40 %
Domestic equity		
International equity		
International equity		
International equity		
Fixed income:		
Fixed income:		
Fixed income:		
U.S. Treasury, government, and agency bonds		
Mortgage- and asset-backed securities		
Mortgage- and asset-backed securities		
Mortgage- and asset-backed securities		
Corporate bonds		
Corporate bonds		
Corporate bonds		
Pooled funds		
Pooled funds		
Pooled funds		
Cash equivalents and other		
Cash equivalents and other		
Cash equivalents and other		
Real estate investments		
Real estate investments		
Real estate investments		
Special situations		
Private equity		
Private credit		

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Infrastructure									
Total	$ 310	$ 430	$ —	$ 249	$989	100 %	100 %		

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using											
	Fair Value Measurements Using											
	Fair Value Measurements Using											
	Quoted Prices in Active Markets for Identical Assets	Quoted Prices in Active Markets for Identical Assets										
At December 31, 2022:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value as a Practical Expedient (NAV)	Total		Target Allocation	Actual Allocation	Significant Other Observable Inputs	Net Asset Value as a Practical Expedient		Target Allocation	Ac Allo
At December 31, 2024:	(Level 1)	(Level 2)	(NAV)	Actual Allocation	(NAV)	Total							
		(in millions)											
Southern Company													
Southern Company													
Southern Company													
Mississippi Power													
Mississippi Power													
Mississippi Power													
Assets:													
Assets:													
Assets:													
Equity:													
Equity:													
Equity:							45	%	43	%			
Domestic equity													

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Alabama Power	Southern Power	Southern Power	Southern Power
Assets:			
Assets:			
Assets:			
Equity:			
Equity:			
Equity:		45 %	43 %
Domestic equity			
International equity			
International equity			
International equity			
Fixed income:			
Fixed income:			
Fixed income:			
U.S. Treasury, government, and agency bonds			
Mortgage- and asset-backed securities			
Mortgage- and asset-backed securities			
Mortgage- and asset-backed securities			
Corporate bonds			
Corporate bonds			
Corporate bonds			
Pooled funds			
Pooled funds			
Pooled funds			
Cash equivalents and other			
Cash equivalents and other			
Cash equivalents and other			
Real estate investments			
Real estate investments			
Real estate investments			
Special situations			
Private equity			

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Real estate investments							
Special situations							
Private equity							
Total	$ 229	$ 246	$ —	$ 173	$ 648	100 %	100 %

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COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using										
	Fair Value Measurements Using										
	Fair Value Measurements Using										
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	Net Asset Value as a Practical Expedient							
At December 31, 2022:	(Level 1)	(Level 2)	(Level 3)	(NAV)	Total		Target Allocation	Actual Allocation			
At December 31, 2023:	(Level 1)	(Level 2)	(NAV)		(NAV)	Total					
		(in millions)		Actual Allocation							
Southern Power											
Southern Power											
Southern Power											
Assets:											
Assets:											
Assets:											
Equity:											
Equity:											
Equity:											

Domestic equity							
International equity							
International equity							
International equity							
Fixed income:							
Fixed income:							
Fixed income:							
U.S. Treasury, government, and agency bonds							
Corporate bonds							
Corporate bonds							
Corporate bonds							
Pooled funds							
Pooled funds							
Pooled funds							
Cash equivalents and other							
Cash equivalents and other							
Cash equivalents and other							
Real estate investments							
Real estate investments							
Real estate investments							
Special situations							
Private equity							
Total	$ 62	$ 68	$ —	$ 47	$ 177	100 %	100 %
Southern Company Gas							
Southern Company Gas							
Southern Company Gas							
Southern Company							
Southern Company							
Southern Company							
Assets:							
Assets:							
Assets:							
Equity:							
Equity:							
Equity:						45 %	43 %
Domestic equity							
International equity							

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International equity										
International equity										
Fixed income:										
Fixed income:										
Fixed income:										
U.S. Treasury, government, and agency bonds										
Mortgage- and asset-backed securities										
Mortgage- and asset-backed securities										
Mortgage- and asset-backed securities										
Corporate bonds										
Corporate bonds										
Corporate bonds										
Pooled funds										
Pooled funds										
Pooled funds										
Cash equivalents and other										
Cash equivalents and other										
Cash equivalents and other										
Real estate investments										
Real estate investments										
Real estate investments										
Special situations										
Private equity										
Private Credit										
Infrastructure										
Total	Total	$ 353	$ 381	$ —	$ 267	$1,001	100	100 %	100	%

Total					
Total	$ 4,646	$ 6,399	$ 3,715	$ 14,760	100 %	100 %
Alabama Power					
Alabama Power					
Alabama Power					
Assets:					
Assets:					
Assets:					
Equity:					
Equity:					

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Equity:					41 %	40 %
Domestic equity						
International equity						
International equity						
International equity						
Fixed income:						
Fixed income:						
Fixed income:						
U.S. Treasury, government, and agency bonds						
Mortgage- and asset-backed securities						
Mortgage- and asset-backed securities						
Mortgage- and asset-backed securities						
Corporate bonds						
Corporate bonds						
Corporate bonds						
Pooled funds						
Pooled funds						
Pooled funds						
Cash equivalents and other						
Cash equivalents and other						
Cash equivalents and other						
Real estate investments						
Real estate investments						
Real estate investments						
Special situations						
Private equity						
Private credit						
Infrastructure						
Total	$ 1,127	$ 1,552	$ 900	$ 3,579	100 %	100 %
					II-222	II-213

COMBINED NOTES TO FINANCIAL STATEMENTS

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At December 31, 2023:	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation
			(in millions)			
Georgia Power						
Assets:						
Equity:					41 %	40 %
Domestic equity	$ 611	$ 241	$ —	$ 852		
International equity	609	329	—	938		
Fixed income:					30	32
U.S. Treasury, government, and agency bonds	—	617	—	617		
Mortgage- and asset-backed securities	—	14	—	14		
Corporate bonds	—	539	—	539		
Pooled funds	—	243	—	243		
Cash equivalents and other	116	18	—	134		
Real estate investments	115	—	527	642	12	14
Special situations	—	—	77	77	3	2
Private equity	—	—	551	551	9	12
Private credit	—	—	8	8	3	—
Infrastructure	—	—	—	—	2	—
Total	$ 1,451	$ 2,001	$ 1,163	$ 4,615	100 %	100 %
Mississippi Power						
Assets:						
Equity:					41 %	40 %
Domestic equity	$ 89	$ 35	$ —	$ 124		
International equity	89	48	—	137		
Fixed income:					30	32
U.S. Treasury, government, and agency bonds	—	90	—	90		
Mortgage- and asset-backed securities	—	2	—	2		
Corporate bonds	—	79	—	79		
Pooled funds	—	36	—	36		
Cash equivalents and other	17	3	—	20		
Real estate investments	17	—	77	94	12	14
Special situations	—	—	11	11	3	2
Private equity	—	—	81	81	9	12
Private credit	—	—	1	1	3	—
Infrastructure	—	—	—	—	2	—
Total	$ 212	$ 293	$ 170	$ 675	100 %	100 %

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using

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At December 31, 2023:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation
		(in millions)				
Southern Power						
Assets:						
Equity:					41 %	40 %
Domestic equity	$ 24	$ 10	$ —	$ 34		
International equity	25	13	—	38		
Fixed income:					30	32
U.S. Treasury, government, and agency bonds	—	25	—	25		
Mortgage - and asset backed securities	—	1	—	1		
Corporate bonds	—	22	—	22		
Pooled funds	—	10	—	10		
Cash equivalents and other	5	1	—	6		
Real estate investments	5	—	21	26	12	14
Special situations	—	—	3	3	3	2
Private equity	—	—	22	22	9	12
Private credit	—	—	—	—	3	—
Infrastructure	—	—	—	—	2	—
Total	$ 59	$ 82	$ 46	$ 187	100 %	100 %
Southern Company Gas						
Assets:						
Equity:					41 %	40 %
Domestic equity	$ 130	$ 52	$ —	$ 182		
International equity	130	71	—	201		
Fixed income:					30	32
U.S. Treasury, government, and agency bonds	—	132	—	132		
Mortgage- and asset-backed securities	—	3	—	3		
Corporate bonds	—	116	—	116		
Pooled funds	—	52	—	52		
Cash equivalents and other	25	4	—	29		
Real estate investments	25	—	113	138	12	14
Special situations	—	—	16	16	3	2
Private equity	—	—	118	118	9	12
Private credit	—	—	2	2	3	—
Infrastructure	—	—	—	—	2	—
Total	$ 310	$ 430	$ 249	$ 989	100 %	100 %

COMBINED NOTES TO FINANCIAL STATEMENTS

The fair values, and actual allocations relative to the target allocations, of the applicable Registrants' other postretirement benefit plan assets at December 31, 2023 December 31, 2024 and 2022 2023 are presented below.

Fair Value Measurements Using

Fair Value Measurements Using

Fair Value Measurements Using

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At December 31, 2023:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation
At December 31, 2024:												
(in millions)				Total	Target Allocation	Actual Allocation						
Southern Company												
Southern Company												
Southern Company												
Assets:												
Assets:												
Assets:												
Equity:												
Equity:												
Equity:										60	%	61 %
Domestic equity												
International equity												
International equity												
International equity												
Fixed income:												
Fixed income:												
Fixed income:												
U.S. Treasury, government, and agency bonds												
Mortgage- and asset-backed securities												

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At December 31, 2023:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation
At December 31, 2024:												
		(in millions)										
Georgia Power												
Georgia Power												
Georgia Power												
Alabama Power												
Alabama Power												
Alabama Power												
Assets:												
Assets:												
Assets:												
Equity:												
Equity:												
Equity:										58	%	57 %
Domestic equity												
International equity												
International equity												
International equity												
Fixed income:												
Fixed income:												
Fixed income:												
U.S. Treasury, government, and agency bonds												
Corporate bonds												
Corporate bonds												
Corporate bonds												
Pooled funds												

Total	Target Allocation	Actual Allocation
68	**%**	**68 %**

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Corporate bonds																
Pooled funds																
Pooled funds																
Pooled funds																
Cash equivalents and other																
Cash equivalents and other																
Cash equivalents and other																
Trust-owned life insurance																
Trust-owned life insurance																
Trust-owned life insurance																
Real estate investments																
Real estate investments																
Real estate investments																
Special situations																
Private equity																
Private credit																
Infrastructure																
Total	Total	$	8	$	12	$	$	4	$	24	100	100	%	100	%	
Total																
Total		**$**	**82**	**$**	**308**	**$**	**30**	**$**	**420**		**100**	**%**	**100**	**%**		
													II-224	II-217		

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using		**Fair Value Measurements Using**		**Fair Value Measurements Using**
	Quoted Prices in Active Markets for Identical Assets		**Quoted Prices in Active Markets for Identical Assets**		

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At December 31, 2023:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation	Significant Other Observable Inputs	Net Asset Value as a Practical Expedient	Total	Target Allocation	Actual Allocation
At December 31, 2024:	**(Level 1)**	**(Level 2)**			**(Level 2)**	**(NAV)**					
		(in millions)	**Total**	**Target Allocation**	**Actual Allocation**						
Mississippi Power											
Mississippi Power											
Mississippi Power											
Assets:											
Assets:											
Assets:											
Equity:											
Equity:											
Equity:										**34 %**	**32 %**
Domestic equity											
International equity											
International equity											
International equity											
Fixed income:											
Fixed income:											
Fixed income:											
U.S. Treasury, government, and agency bonds											
Corporate bonds											
Corporate bonds											
Corporate bonds											
Pooled funds											
Pooled funds											
Pooled funds											
Cash equivalents and other											
Cash equivalents and other											

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At December 31, 2022:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total	Target Allocation	Actual Allocation	Significant Other Observable Inputs	Net Asset Value as a Practical Expedient			Target Allocation	Actual Allocation
At December 31, 2023:	**(Level 1)**	**(Level 2)**	**(NAV)**	**Actual Allocation**	**(NAV)**	**Total**						
		(in millions)										
Southern Company												
Southern Company												
Southern Company												
Assets:												
Assets:												
Assets:												
Equity:												
Equity:												
Equity:								61	%	59 %		60 % 61 %
Domestic equity												
International equity												
International equity												
International equity												
Fixed income:												
Fixed income:												
Fixed income:												
U.S. Treasury, government, and agency bonds												
Mortgage- and asset-backed securities												
Mortgage- and asset-backed securities												
Mortgage- and asset-backed securities												
Corporate bonds												
Corporate bonds												
Corporate bonds												
Pooled funds												
Pooled funds												
Pooled funds												
Cash equivalents and other												
Cash equivalents and other												

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Cash equivalents and other																															
Trust-owned life insurance																															
Trust-owned life insurance																															
Trust-owned life insurance																															
Real estate investments																															
Real estate investments																															
Real estate investments																															
Special situations																															
Private equity																															
Private credit																															
Infrastructure																															
Total	Total	$	41	$	298	$	$	32	$	371	100	100	%	100	%	Total	$	38	$	333	$	$	31	$	402	100	100	%	100	%		

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COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using							Fair Value Measurements Using							Fair Value Measurements Using						
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Net Asset Value as a Practical Expedient			Target Allocation	Actual Allocation	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Net Asset Value as a Practical Expedient			Target Allocation	Actual Allocation						
At December 31, 2022:	(Level 1)	(Level 2)	(NAV)	Total																	
At December 31, 2023:	(Level 1)	(Level 2)	(NAV)	Actual Allocation	(NAV)	Total															

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Mississippi Power

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At December 31, 2022:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Net Asset Value as a Practical Expedient (NAV)	Total		Target Allocation	Actual Allocation	Significant Other Observable Inputs	Net Asset Value as a Practical Expedient		Target Allocation	Actual Allocation
At December 31, 2023:	(Level 1)	(Level 2)	(NAV)	Actual Allocation	(NAV)	Total						
		(in millions)										
Southern Company Gas												
Southern Company Gas												
Southern Company Gas												
Assets:												
Assets:												
Assets:												
Equity:												
Equity:												
Equity:										72 %	70 %	72 % 72 %
Domestic equity												
International equity												
International equity												
International equity												
Fixed income:												
Fixed income:												
Fixed income:												
U.S. Treasury, government, and agency bonds												
Corporate bonds												
Corporate bonds												
Corporate bonds												
Pooled funds												
Pooled funds												

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Pooled funds																																
Cash equivalents and other																																
Cash equivalents and other																																
Cash equivalents and other																																
Real estate investments																																
Real estate investments																																
Real estate investments																																
Private equity																																
Private equity																																
Private equity																																
Total	Total	$	5	$	105	$	$	3	$	113	100	100	%	100	%	Total	$	5	$	120	$	$	2	$	127	100	100	%	100	%			

Employee Savings Plan

Southern Company and its subsidiaries also sponsor 401(k) defined contribution plans covering substantially all employees and provide matching contributions up to specified percentages of an employee's eligible pay. Total matching contributions made to the plans for 2024, 2023, 2022, and 2021 2022 were as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
					(in millions)								
2024													
2023													
2022													
2021													

12. STOCK COMPENSATION

Stock-based compensation primarily in the form of Southern Company performance share units (PSU) and restricted stock units (RSU) may be granted through the Equity and Incentive Compensation Plan to eligible Southern Company system employees ranging from line management to executives. employees.

At December 31, 2023 December 31, 2024, the number of current and former employees participating in stock-based compensation programs for the Registrants was as follows:

	Southern Company	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas
Number of employees													

The majority of PSUs and RSUs awarded contain terms where employees become immediately vested in PSUs and RSUs upon retirement. As a result, compensation expense for employees that are retirement eligible at the grant date is recognized immediately, while compensation expense for employees that are expected to become retirement eligible during the vesting period is recognized over the period from grant date to the date of retirement eligibility. In addition, the Registrants recognize forfeitures as they occur.

COMBINED NOTES TO FINANCIAL STATEMENTS

All unvested PSUs and RSUs vest immediately upon a change in control where Southern Company is not the surviving corporation. Stock-based compensation activity is immaterial for the Subsidiary Registrants.

Performance Share Units

PSUs granted to employees vest at the end of a three-year performance period. Shares of Southern Company common stock are delivered to employees at the end of the performance period with the number of shares issued ranging from 0% to 200% of the target number of PSUs granted, based on achievement of the performance goals established by the Compensation Committee of the Southern Company Board of Directors.

Southern Company has issued two types of PSUs, each with a unique performance goal. These types of PSUs include total shareholder return (TSR) awards based on the TSR for Southern Company common stock during the three-year performance period as compared to a group of industry peers and ROE awards based on Southern Company's equity-

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weighted return over the performance period.

The fair value of TSR awards is determined as of the grant date using a Monte Carlo simulation model. In determining the fair value of the TSR awards issued to employees, the expected volatility is based on the historical volatility of Southern Company's stock over a period equal to the performance period. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant that covers the performance period of the awards. The following table shows the assumptions used in the pricing model and the weighted average grant-date fair value of TSR awards granted:

Year Ended December 31	Year Ended December 31	2023	2022	2021	Year Ended December 31	2024	2023	2022
Expected volatility	Expected volatility	**30.0%**	29.6%	30.0%	Expected volatility	**19.1%**	30.0%	29.6%
Expected term *(in years)*		**3**		3				
Interest rate								
Interest rate								
Interest rate	Interest rate	**3.8%**	1.7%	0.2%	**4.0%**		3.8%	1.7%
Weighted average grant-date fair value	Weighted average grant-date fair value	**$76.83**	$79.69	$69.06	Weighted average grant-date fair value	**$80.99**	$76.83	$79.69

The Registrants recognize TSR award compensation expense on a straight-line basis over the three-year performance period without remeasurement.

The fair values of ROE awards are based on the closing stock price of Southern Company common stock on the date of the grant. The weighted average grant-date fair value of the ROE awards granted during 2024, 2023, and 2022 was $69.67, $68.93, and 2021 was $68.93, $66.87, and $59.49, respectively. Compensation expense for ROE awards is generally recognized ratably over the three-year performance period adjusted for expected changes in ROE performance. Total compensation cost recognized for vested ROE awards reflects final performance metrics.

Southern Company had 2.4 million unvested PSUs outstanding at December 31, 2022. In February 2023, the PSUs that vested for the three-year performance period ended December 31, 2022 were converted into 1.8 million shares outstanding at a share price of $67.13. During 2023, Southern Company granted 1.3 million PSUs and 1.3 million PSUs were vested or forfeited, resulting in 2.4 million unvested PSUs outstanding at December 31, 2023. In February 2024, the PSUs that vested for the three-year performance period ended December 31, 2023 were converted into 2.3 million shares outstanding at a share price of $66.95. During 2024, Southern Company granted 1.1 million PSUs and 1.2 million PSUs were vested or forfeited, resulting in 2.3 million unvested PSUs outstanding at December 31, 2024. In February 2025, the PSUs that vested for the three-year performance period ended December 31, 2024 were converted into 2.0 million shares outstanding at a weighted average share price of $66.95. $83.87.

Total Southern Company's total PSU compensation cost and the related tax benefit recognized in income for the years ended December 31, 2023 December 31, 2024, 2023, and 2022 and 2021 are were as follows:

	2023	2022	2021
	2024	**2023**	**2022**
			(in millions)
Southern Company			
Compensation cost recognized in income			
Compensation cost recognized in income			
Compensation cost recognized in income			
Tax benefit of compensation cost recognized in income			
Southern Company Gas			
Southern Company Gas			
Southern Company Gas			
Compensation cost recognized in income			
Compensation cost recognized in income			
Compensation cost recognized in income			
Tax benefit of compensation cost recognized in income			

Total PSU compensation cost and the related tax benefit recognized in income were immaterial for all periods presented for all other Registrants. The compensation cost related to the grant of Southern Company PSUs to the employees of each Subsidiary Registrant is recognized in each Subsidiary Registrant's financial statements with a corresponding credit to equity representing a capital contribution from Southern Company.

COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2023 December 31, 2024, Southern Company's total unrecognized compensation cost related to PSUs was $32 million $33 million and is expected to be recognized over a weighted-average period of approximately 19 months. The total unrecognized compensation cost related to PSUs at December 31, 2023 was immaterial for all other Registrants.

Restricted Stock Units

The fair value of RSUs is based on the closing stock price of Southern Company common stock on the date of the grant. The weighted average grant-date fair values of RSUs granted during 2024, 2023, and 2022 were $70.49, $68.95, and 2021 were $68.95, $67.20, and $59.56, respectively. For most RSU awards, one-third of the RSUs vest each year throughout a three-year service period and

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compensation cost for RSUs is generally recognized over the corresponding one-, two-, or three-year vesting period. Shares of Southern Company common stock are delivered to employees at the end of each vesting period.

Southern Company had 0.9 million RSUs outstanding at December 31, 2022 December 31, 2023. During 2023, 2024, Southern Company granted 0.5 million RSUs and 0.5 million RSUs were vested or forfeited, resulting in 0.9 million unvested RSUs outstanding at December 31, 2023 December 31, 2024, including RSUs related to employee retention agreements.

For the years ended December 31, 2023, 2022, and 2021, Southern Company's total RSU compensation cost for RSUs and the related tax benefit recognized in income was $30 million, $26 million, and $32 million, respectively. The related tax benefit also recognized in income was $8 million, $7 million, and $8 million for the years ended December 31, 2023 December 31, 2024, 2023, and 2022 and 2021, respectively. were as follows:

	2024	2023	2022
		(in millions)	
Compensation cost recognized in income	**$ 30**	$ 30	$ 26
Tax benefit of compensation cost recognized in income	**8**	8	7

Total unrecognized compensation cost related to RSUs at December 31, 2023 December 31, 2024, which is being recognized over a weighted-average period of approximately 17 19 months, is was immaterial for Southern Company.

Total RSUs outstanding and total compensation cost and related tax benefit for the RSUs recognized in income for the years ended December 31, 2023, 2022, and 2021, as well as the total unrecognized compensation cost at December 31, 2023, were immaterial for all other Registrants. The compensation cost related to the grant of Southern Company RSUs to the employees of each Subsidiary Registrant is recognized in such Subsidiary Registrant's financial statements with a corresponding credit to equity representing a capital contribution from Southern Company.

Stock Options

In 2015, Southern Company discontinued granting stock options. As of December 31, 2017, all stock option awards were vested and compensation cost fully recognized. Stock options expire no later than 10 years after the grant date recognized and the latest possible last exercise will occur by occurred in November 2024. At December 31, 2023, the weighted average remaining contractual term for the options outstanding and exercisable was approximately 2 months.

Southern Company's activity in the stock option program for 2023 is summarized below:

	Shares Subject to Option	Weighted Average Exercise Price
	(in millions)	
Outstanding at December 31, 2022	1.0	$ 42.22
Exercised	0.7	42.54
Outstanding and Exercisable at December 31, 2023	**0.3**	**$ 41.58**

Southern Company's cash receipts from issuances related to stock options exercised under the share-based payment arrangements for the years ended December 31, 2023 December 31, 2024, 2023, and 2022 and 2021 were $14 million, $28 million, $75 million, and $66 million $75 million, respectively.

At December 31, 2023, the aggregate intrinsic value for options outstanding and exercisable was immaterial for all Registrants.

Total Southern Company's total intrinsic value of options exercised and the related tax benefit for the years ended December 31, 2023 December 31, 2024, 2023, and 2022 and 2021 are presented below for Southern Company and were immaterial for all other Registrants: as follows:

Year Ended December 31	**2023**	2022	2021
	2024	**2023**	**2022**
		(in millions)	
Southern Company			
Intrinsic value of options exercised			
Intrinsic value of options exercised			
Intrinsic value of options exercised			
Tax benefit of options exercised			

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13. FAIR VALUE MEASUREMENTS

Fair value measurements are based on inputs of observable and unobservable market data that a market participant would use in pricing the asset or liability. The use of observable inputs is maximized where available and the use of unobservable inputs is minimized for fair value measurement and reflects a three-tier fair value hierarchy that prioritizes inputs to valuation techniques used for fair value measurement.

- Level 1 consists of observable market data in an active market for identical assets or liabilities.
- Level 2 consists of observable market data, other than that included in Level 1, that is either directly or indirectly observable.
- Level 3 consists of unobservable market data. The input may reflect the assumptions of each Registrant of what a market participant would use in pricing an asset or liability. If there is little available market data, then each Registrant's own assumptions are the best available information.

In the case of multiple inputs being used in a fair value measurement, the lowest level input that is significant to the fair value measurement represents the level in the fair value hierarchy in which the fair value measurement is reported.

Net asset value as a practical expedient is the classification used for assets that do not have readily determined fair values. Fund managers value the assets using various inputs and techniques depending on the nature of the underlying investments.

COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2024, assets and liabilities measured at fair value on a recurring basis during the period, together with their associated level of the fair value hierarchy, were as follows:

	Fair Value Measurements Using				
At December 31, 2024:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value as a Practical Expedient (NAV)	Total
			(in millions)		
Southern Company					
Assets:					
Energy-related derivatives[(a)]	$ 12	$ 77	$ —	$ —	$ 89
Investments in trusts:[(b)]					
Domestic equity	849	250	—	—	1,099
Foreign equity	148	175	—	—	323
U.S. Treasury and government agency securities	—	371	—	—	371
Municipal bonds	—	47	—	—	47
Pooled funds – fixed income	—	7	—	—	7
Corporate bonds	—	452	—	—	452
Mortgage and asset backed securities	—	106	—	—	106
Private equity	—	—	—	181	181
Cash and cash equivalents	1	—	—	—	1
Other	39	3	—	9	51
Investments, available for sale:					
U.S. Treasury and government agency securities	2	7	—	—	9
Corporate bonds	1	2	—	—	3
Mortgage and asset backed securities	—	10	—	—	10
Cash equivalents and restricted cash	533	19	—	—	552
Other investments	9	31	8	—	48
Total	$ 1,594	$ 1,557	$ 8	$ 190	$ 3,349
Liabilities:					
Energy-related derivatives[(a)]	$ 5	$ 124	$ —	$ —	$ 129
Interest rate derivatives	—	269	—	—	269
Foreign currency derivatives	—	218	—	—	218
Contingent consideration	3	—	16	—	19

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Other	—	13	11	—	24
Total	$ 8	$ 624	$ 27	$ —	$ 659

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using				
At December 31, 2024:	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value as a Practical Expedient (NAV)	Total
			(in millions)		
Alabama Power					
Assets:					
Energy-related derivatives	$ —	$ 26	$ —	$ —	$ 26
Nuclear decommissioning trusts:[b]					
Domestic equity	459	241	—	—	700
Foreign equity	148	—	—	—	148
U.S. Treasury and government agency securities	—	16	—	—	16
Municipal bonds	—	1	—	—	1
Corporate bonds	—	287	—	—	287
Mortgage and asset backed securities	—	31	—	—	31
Private equity	—	—	—	181	181
Other	11	1	—	9	21
Cash equivalents and restricted cash	334	19	—	—	353
Other investments	—	31	—	—	31
Total	$ 952	$ 653	$ —	$ 190	$ 1,795
Liabilities:					
Energy-related derivatives	$ —	$ 42	$ —	$ —	$ 42
Georgia Power					
Assets:					
Energy-related derivatives	$ —	$ 19	$ —	$ —	$ 19
Nuclear decommissioning trusts:[b]					
Domestic equity	390	1	—	—	391
Foreign equity	—	174	—	—	174
U.S. Treasury and government agency securities	—	355	—	—	355
Municipal bonds	—	46	—	—	46
Corporate bonds	—	165	—	—	165
Mortgage and asset backed securities	—	75	—	—	75
Other	28	2	—	—	30
Cash equivalents	35	—	—	—	35
Total	$ 453	$ 837	$ —	$ —	$ 1,290
Liabilities:					
Energy-related derivatives	$ —	$ 42	$ —	$ —	$ 42

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COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2024:	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value as a Practical Expedient (NAV)	Total
			(in millions)		
Mississippi Power					
Assets:					
Energy-related derivatives	$ —	$ 19	$ —	$ —	$ 19
Liabilities:					
Energy-related derivatives	$ —	$ 34	$ —	$ —	$ 34
Southern Power					
Assets:					
Energy-related derivatives	$ —	$ 4	$ —	$ —	$ 4
Cash equivalents	51	—	—	—	51
Total	$ 51	$ 4	$ —	$ —	$ 55
Liabilities:					
Foreign currency derivatives	$ —	$ 51	$ —	$ —	$ 51
Contingent consideration	3	—	16	—	19
Other	—	13	11	—	24
Total	$ 3	$ 64	$ 27	$ —	$ 94
Southern Company Gas					
Assets:					
Energy-related derivatives[(a)]	$ 12	$ 9	$ —	$ —	$ 21
Non-qualified deferred compensation trusts:					
Domestic equity	—	8	—	—	8
Foreign equity	—	1	—	—	1
Pooled funds - fixed income	—	7	—	—	7
Cash and cash equivalents	1	—	—	—	1
Investments, available for sale:					
U.S. Treasury and government agency securities	2	7	—	—	9
Corporate bonds	1	2	—	—	3
Mortgage and asset backed securities	—	10	—	—	10
Cash equivalents	22	—	—	—	22
Total	$ 38	$ 44	$ —	$ —	$ 82
Liabilities:					
Energy-related derivatives[(a)]	$ 5	$ 6	$ —	$ —	$ 11
Interest rate derivatives	—	84	—	—	84
Total	$ 5	$ 90	$ —	$ —	$ 95

(a) Excludes cash collateral of $17 million.

(b) Excludes receivables related to investment income, pending investment sales, payables related to pending investment purchases, and currencies. See Note 6 under "Nuclear Decommissioning" for additional information.

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At December 31, 2023, assets and liabilities measured at fair value on a recurring basis during the period, together with their associated level of the fair value hierarchy, were as follows:

	Fair Value Measurements Using									
	Quoted Prices in Active Markets for Identical Assets	Quoted Prices in Active Markets for Identical Assets	Quoted Prices in Active Markets for Identical Assets							
At December 31, 2023:										
At December 31, 2023:										
At December 31, 2023:	(Level 1)	(Level 2)	(Level 3)	(NAV)	Total	(Level 1)	(Level 2)	(Level 3)	(NAV)	Total
				(in millions)						
Southern Company										
Assets:										
Assets:										
Assets:										
Energy-related derivatives[(a)]										
Energy-related derivatives[(a)]										
Energy-related derivatives[(a)]										
Investments in trusts:[(b)]										
Investments in trusts:[(b)]										
Investments in trusts:[(b)]										
Domestic equity										
Domestic equity										
Domestic equity										
Foreign equity										
U.S. Treasury and government agency securities										
Municipal bonds										
Pooled funds – fixed income										
Corporate bonds										
Mortgage and asset backed securities										
Private equity										
Cash and cash equivalents										
Other										
Cash equivalents and restricted cash										
Other investments										
Total										
Liabilities:										
Energy-related derivatives[(a)]										
Energy-related derivatives[(a)]										
Energy-related derivatives[(a)]										
Interest rate derivatives										
Foreign currency derivatives										
Contingent consideration										
Other										
Total										

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COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using									
	Quoted Prices in Active Markets for Identical Assets					Quoted Prices in Active Markets for Identical Assets				
	Quoted Prices in Active Markets for Identical Assets					Quoted Prices in Active Markets for Identical Assets				
At December 31, 2023:										
At December 31, 2023:										
At December 31, 2023:	**(Level 1)**	**(Level 2)**	**(Level 3)**	**(NAV)**	**Total**	**(Level 1)**	**(Level 2)**	**(Level 3)**	**(NAV)**	**Total**
	(in millions)									
Alabama Power										
Assets:										
Assets:										
Assets:										
Energy-related derivatives										
Energy-related derivatives										
Energy-related derivatives										
Nuclear decommissioning trusts:(b)										
Domestic equity										
Domestic equity										
Domestic equity										
Foreign equity										
U.S. Treasury and government agency securities										
Municipal bonds										
Corporate bonds										
Mortgage and asset backed securities										
Private equity										
Other										
Cash equivalents and restricted cash										
Other investments										
Total										
Liabilities:										
Energy-related derivatives										
Energy-related derivatives										
Energy-related derivatives										
Georgia Power										
Georgia Power										
Georgia Power										
Assets:										
Assets:										
Assets:										
Energy-related derivatives										
Energy-related derivatives										
Energy-related derivatives										
Nuclear decommissioning trusts:(b)										

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Nuclear decommissioning trusts:[b]	
Nuclear decommissioning trusts:[b]	
Domestic equity	
Domestic equity	
Domestic equity	
Foreign equity	
U.S. Treasury and government agency securities	
Municipal bonds	
Corporate bonds	
Mortgage and asset backed securities	
Other	
Total	
Total	
Total	
Liabilities:	
Energy-related derivatives	
Energy-related derivatives	
Energy-related derivatives	

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using									
	Quoted Prices in Active Markets for Identical Assets									
	Quoted Prices in Active Markets for Identical Assets									
	Quoted Prices in Active Markets for Identical Assets									
At December 31, 2023:										
At December 31, 2023:										
At December 31, 2023:	**(Level 1)**	**(Level 2)**	**(Level 3)**	**(NAV)**	**Total**	**(Level 1)**	**(Level 2)**	**(Level 3)**	**(NAV)**	**Total**
	(in millions)									
Mississippi Power										
Assets:										
Assets:										
Assets:										
Energy-related derivatives										
Energy-related derivatives										
Energy-related derivatives										
Cash equivalents										
Cash equivalents										
Cash equivalents										
Total										
Liabilities:										
Energy-related derivatives										
Energy-related derivatives										
Energy-related derivatives										
Southern Power										
Southern Power										

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Southern Power	
Assets:	
Assets:	
Assets:	
Energy-related derivatives	
Energy-related derivatives	
Energy-related derivatives	
Liabilities:	
Liabilities:	
Liabilities:	
Energy-related derivatives	
Energy-related derivatives	
Energy-related derivatives	
Foreign currency derivatives	
Contingent consideration	
Other	
Total	
Southern Company Gas	
Southern Company Gas	
Southern Company Gas	
Assets:	
Assets:	
Assets:	
Energy-related derivatives(a)	
Energy-related derivatives(a)	
Energy-related derivatives(a)	
Non-qualified deferred compensation trusts:	
Non-qualified deferred compensation trusts:	
Non-qualified deferred compensation trusts:	
Domestic equity	
Domestic equity	
Domestic equity	
Foreign equity	
Pooled funds - fixed income	
Cash and cash equivalents	
Total	
Total	
Total	
Liabilities:	
Energy-related derivatives(a)(b)	
Energy-related derivatives(a)(b)	
Energy-related derivatives(a)(b)	
Energy-related derivatives(a)	
Energy-related derivatives(a)	
Energy-related derivatives(a)	
Interest rate derivatives	
Total	

(a) Excludes cash collateral of $62 million.

(b) Excludes receivables related to investment income, pending investment sales, payables related to pending investment purchases, and currencies. See Note 6 under "Nuclear Decommissioning" for additional information.

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COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2022, assets and liabilities measured at fair value on a recurring basis during the period, together with their associated level of the fair value hierarchy, were as follows:

	Fair Value Measurements Using				
At December 31, 2022:	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Net Asset Value as a Practical Expedient (NAV)**	**Total**
			(in millions)		
Southern Company					
Assets:					
Energy-related derivatives[(a)]	$ 18	$ 181	$ —	$ —	$ 199
Interest rate derivatives	—	12	—	—	12
Investments in trusts:[(b)(c)]					
Domestic equity	651	178	—	—	829
Foreign equity	125	150	—	—	275
U.S. Treasury and government agency securities	—	285	—	—	285
Municipal bonds	—	51	—	—	51
Pooled funds – fixed income	—	7	—	—	7
Corporate bonds	—	412	—	—	412
Mortgage and asset backed securities	—	90	—	—	90
Private equity	—	—	—	161	161
Cash and cash equivalents	4	—	—	—	4
Other	37	12	—	—	49
Cash equivalents	1,427	20	—	—	1,447
Other investments	9	26	—	—	35
Total	$ 2,271	$ 1,424	$ —	$ 161	$ 3,856
Liabilities:					
Energy-related derivatives[(a)]	$ 32	$ 178	$ —	$ —	$ 210
Interest rate derivatives	—	302	—	—	302
Foreign currency derivatives	—	216	—	—	216
Contingent consideration	—	—	12	—	12
Other	—	13	—	—	13
Total	$ 32	$ 709	$ 12	$ —	$ 753

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using				
At December 31, 2022:	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Net Asset Value as a Practical Expedient (NAV)**	**Total**
			(in millions)		
Alabama Power					

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Assets:					
Energy-related derivatives	$ —	$ 62	$ —	$ —	$ 62
Nuclear decommissioning trusts:(b)					
Domestic equity	396	169	—	—	565
Foreign equity	125	—	—	—	125
U.S. Treasury and government agency securities	—	19	—	—	19
Municipal bonds	—	1	—	—	1
Corporate bonds	—	225	—	—	225
Mortgage and asset backed securities	—	22	—	—	22
Private equity	—	—	—	161	161
Other	7	—	—	—	7
Cash equivalents	438	20	—	—	458
Other investments	—	26	—	—	26
Total	$ 966	$ 544	$ —	$ 161	$ 1,671
Liabilities:					
Energy-related derivatives	$ —	$ 39	$ —	$ —	$ 39
Georgia Power					
Assets:					
Energy-related derivatives	$ —	$ 42	$ —	$ —	$ 42
Nuclear decommissioning trusts:(b)(c)					
Domestic equity	255	1	—	—	256
Foreign equity	—	149	—	—	149
U.S. Treasury and government agency securities	—	266	—	—	266
Municipal bonds	—	50	—	—	50
Corporate bonds	—	187	—	—	187
Mortgage and asset backed securities	—	68	—	—	68
Other	30	12	—	—	42
Cash equivalents	355	—	—	—	355
Total	$ 640	$ 775	$ —	$ —	$ 1,415
Liabilities:					
Energy-related derivatives	$ —	$ 62	$ —	$ —	$ 62

COMBINED NOTES TO FINANCIAL STATEMENTS

	Fair Value Measurements Using				
At December 31, 2022:	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Net Asset Value as a Practical Expedient (NAV)**	**Total**
			(in millions)		
Mississippi Power					
Assets:					
Energy-related derivatives	$ —	$ 59	$ —	$ —	$ 59
Cash equivalents	47	—	—	—	47
Total	$ 47	$ 59	$ —	$ —	$ 106
Liabilities:					

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Energy-related derivatives	$ —	$ 32	$ —	$ —	$ 32
Southern Power					
Assets:					
Energy-related derivatives	$ —	$ 8	$ —	$ —	$ 8
Liabilities:					
Energy-related derivatives	$ —	$ 12	$ —	$ —	$ 12
Foreign currency derivatives	—	47	—	—	47
Contingent consideration	—	—	12	—	12
Other	—	13	—	—	13
Total	$ —	$ 72	$ 12	$ —	$ 84
Southern Company Gas					
Assets:					
Energy-related derivatives(a)	$ 18	$ 10	$ —	$ —	$ 28
Non-qualified deferred compensation trusts:					
Domestic equity	—	8	—	—	8
Foreign equity	—	1	—	—	1
Pooled funds - fixed income	—	7	—	—	7
Cash equivalents	4	—	—	—	4
Cash equivalents	50	—	—	—	50
Total	$ 72	$ 26	$ —	$ —	$ 98
Liabilities:					
Energy-related derivatives(a)(b)	$ 32	$ 33	$ —	$ —	$ 65
Interest rate derivatives	—	86	—	—	86
Total	$ 32	$ 119	$ —	$ —	$ 151

(a) Excludes cash collateral of $41 $62 million.

(b) Excludes receivables related to investment income, pending investment sales, payables related to pending investment purchases, and currencies. See Note 6 under "Nuclear Decommissioning" for additional information.

(c) Includes investment securities pledged to creditors and collateral received and excludes payables related to the securities lending program. See Note 6 under "Nuclear Decommissioning" for additional information.

Valuation Methodologies

The energy-related derivatives primarily consist of exchange-traded and over-the-counter OTC financial products for natural gas and physical power products, including, from time to time, basis swaps. These are standard products used within the energy industry and are valued using the market approach. The inputs used are mainly from observable market sources, such as forward natural gas prices, power prices, implied volatility, and overnight index swap interest rates. Interest rate derivatives are also standard over-the-counter OTC products that are valued using observable market data and assumptions commonly used by market participants. The fair value of interest rate derivatives reflects the net present value of expected payments and receipts under the swap agreement based on the market's

expectation of future interest rates. Additional inputs to the net present value calculation may include the contract terms, counterparty credit risk, and, occasionally, implied volatility of interest rate options. The fair value of cross-currency swaps reflects the net present value of expected payments and receipts under the swap agreement based on the market's expectation of future foreign currency exchange rates. Additional inputs to the net present value calculation may include the contract terms, counterparty credit risk, and discount rates. The interest rate derivatives and cross-currency swaps are categorized as Level 2 under Fair Value Measurements as these inputs are based on observable data and valuations of similar instruments. See Note 14 for additional information on how these derivatives are used.

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For fair value measurements of the investments within the nuclear decommissioning trusts and the non-qualified deferred compensation trusts, external pricing vendors are designated for each asset class with each security specifically assigned a primary pricing source. For investments held within commingled funds, fair value is determined at the end of each business day through the net asset value, which is established by obtaining the underlying securities' individual prices from the primary pricing source. A market price secured from the primary source vendor is then evaluated by management in its valuation of the assets within the trusts. As a general approach, fixed income market pricing vendors gather market data (including indices and market research reports) and integrate relative credit information, observed market movements, and sector news into proprietary pricing models, pricing systems, and mathematical tools. Dealer quotes and other market information, including live trading levels and pricing analysts' judgments, are also obtained when available.

The NRC requires licensees of commissioned nuclear power reactors to establish a plan for providing reasonable assurance of funds for future decommissioning. See Note 6 under "Nuclear Decommissioning" for additional information.

Southern Power has contingent payment obligations related to two of its acquisitions whereby it is primarily obligated to make generation-based payments to the seller, commencing at the commercial operation of each facility and continuing through 2026 and 2035, 2036, respectively. The obligations are primarily categorized as Level 3 under Fair Value Measurements as the fair value is determined using significant unobservable inputs for the forecasted facility's generation in MW-hours, as well as other inputs such as a fixed dollar amount per MW-hour, and a discount rate. The fair value of contingent consideration the obligations reflects the net present value of expected payments and any periodic change arising from forecasted generation is expected to be immaterial.

Southern Power also has payment obligations through 2040 whereby it must reimburse the transmission owners for interconnection facilities and network upgrades constructed to support connection of a Southern Power generating facility to the transmission system. The obligations are categorized as Level 2 under Fair Value Measurements as the fair value is determined using observable inputs for the contracted amounts and reimbursement period, as well as a discount rate. The fair value of the obligations reflects the net present value of expected payments.

"Other investments" primarily includes investments traded in the open market that have maturities greater than 90 days, which are categorized as Level 2 under Fair Value Measurements and are comprised of corporate bonds, bank certificates of deposit, treasury bonds, and/or agency bonds.

The fair value measurements of private market investments held in Alabama Power's nuclear decommissioning trusts that are calculated at net asset value per share (or its equivalent) as a practical expedient totaled $190 million and $178 million at December 31, 2024 and $161 million at December 31, 2023 and 2022, 2023, respectively. Unfunded commitments related to the private market investments totaled $78 million and $87 million at December 31, 2024 and $78 million at December 31, 2023 and 2022, 2023, respectively. Private market investments include high-quality private equity funds across several market sectors, funds that invest in real estate assets, and a private credit fund. Private market funds do not have redemption rights. Distributions from these funds will be received as the underlying investments in the funds are liquidated.

Southern Company Gas' investments, available for sale relate to a wholly-owned subsidiary that insures various risk exposures of Southern Company Gas and its subsidiaries. Corporate and municipal bonds, government agency securities, and commercial paper are valued using pricing models maximizing the use of observable inputs for similar securities, including basing value on yields currently available on comparable securities of issues with similar credit ratings. Mortgage and asset backed securities are valued through an analysis of the underlying assets and a review of the documentation, including financials, the manager's valuation methodology in valuing their underlying assets, the types of assets and risks involved, and the investor's exit and termination parameters.

At December 31, 2023 December 31, 2024 and 2022, 2023, other financial instruments for which the carrying amount did not equal fair value were as follows:

	Southern Company(*)	Southern Company(*)	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas(*)	Southern Company(*)	Alabama Power	Georgia Power	Mississippi Power	Southern Power	Southern Company Gas(*)
						(in billions)							
At December 31, 2024:													
Long-term debt, including securities due within one year:													
Long-term debt, including securities due within one year:													
Long-term debt, including securities due within one year:													
Carrying amount													
Carrying amount													
Carrying amount													
Fair value													
At December 31, 2023:													
Long-term debt, including securities due within one year:													
Long-term debt, including securities due within one year:													

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Long-term debt, including securities due within one year:	
Carrying amount	
Carrying amount	
Carrying amount	
Fair value	
At December 31, 2022:	
Long-term debt, including securities due within one year:	
Long-term debt, including securities due within one year:	
Long-term debt, including securities due within one year:	
Carrying amount	
Carrying amount	
Carrying amount	
Fair value	

(*) The carrying amount of Southern Company Gas' long-term debt includes fair value adjustments from the effective date of the 2016 merger with Southern Company. Southern Company Gas amortizes the fair value adjustments over the remaining lives of the respective bonds, the latest being through 2043.

The fair values are determined using Level 2 measurements and are based on quoted market prices for the same or similar issues or on the current rates available to the Registrants.

14. DERIVATIVES

The Registrants are exposed to market risks, including commodity price risk, interest rate risk, weather risk, and occasionally foreign currency exchange rate risk. To manage the volatility attributable to these exposures, each company nets its exposures, where possible, to take advantage of natural offsets and enters into various derivative transactions for the remaining exposures pursuant to each company's policies in areas such as counterparty exposure and risk management practices. For the traditional electric operating companies, Southern Power, and Southern Company Gas' other businesses, each Each company's policy is that derivatives are to be used primarily for hedging purposes and mandates strict adherence to all applicable risk management policies. Derivative positions are monitored using techniques including, but not limited to, market valuation, value at risk, stress testing, and sensitivity analysis. Derivative instruments are recognized at fair value in the balance sheets as either assets or liabilities and are presented on a net basis. See Note 13 for additional fair value information. In the statements of cash flows, any cash impacts of settled energy-related and interest rate derivatives are recorded as operating activities. Any cash impacts of settled foreign currency derivatives are classified as operating or financing activities to correspond with the classification of the hedged interest or principal, respectively. See Note 1 under "Financial Instruments" for additional information. See Note 15 under "Southern Company Gas" for additional information regarding the sale of Sequent.

Energy-Related Derivatives

The Subsidiary Registrants enter into energy-related derivatives to hedge exposures to electricity, natural gas, and other fuel price changes. However, due to cost-based rate regulations and other various cost recovery mechanisms, the traditional electric operating companies and the natural gas distribution utilities have limited exposure to market volatility in energy-related commodity prices. Each of the traditional electric operating companies and certain of the natural gas distribution utilities of Southern Company Gas manage fuel-hedging programs, implemented per the guidelines of their respective state PSCs or other applicable state regulatory agencies, through the use of financial derivative contracts, which are expected to continue to mitigate price volatility. The traditional electric operating companies (with respect to wholesale generating capacity) and Southern Power have limited exposure to market volatility in energy-related commodity prices because their long-term sales contracts shift substantially all fuel cost responsibility to the purchaser. However, the traditional electric operating companies and Southern Power may be exposed to market volatility in energy-related commodity prices to the extent any uncontracted capacity is used to sell electricity. Southern Company Gas retains exposure to price changes that can, in a volatile energy market, be material and can adversely affect its results of operations.

Southern Company Gas also enters into weather derivative contracts as economic hedges in the event of warmer-than-normal weather. Exchange-traded options are carried at fair value, with changes reflected in operating natural gas revenues. Non-exchange-traded options are accounted for using the intrinsic value method. Changes in the intrinsic value for non-exchange-traded contracts are reflected in operating natural gas revenues.

COMBINED NOTES TO FINANCIAL STATEMENTS

Energy-related derivative contracts are accounted for under one of three methods:

- *Regulatory Hedges* – Energy-related derivative contracts designated as regulatory hedges relate primarily to the traditional electric operating companies' and the natural gas distribution utilities' fuel-hedging programs, where gains and losses are initially recorded as regulatory liabilities and assets, respectively, and then are included in fuel expense as the underlying fuel is used in operations and ultimately recovered through an approved cost recovery mechanism.

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- *Cash Flow Hedges* – Gains and losses on energy-related derivatives designated as cash flow hedges (which are mainly used to hedge anticipated purchases and sales) are initially deferred in AOCI before being recognized in the statements of income in the same period and in the same income statement line item as the earnings effect of the hedged transactions.
- *Not Designated* – Gains and losses on energy-related derivative contracts that are not designated or fail to qualify as hedges are recognized in the statements of income as incurred.

Some energy-related derivative contracts require physical delivery as opposed to financial settlement, and this type of derivative is both common and prevalent within the electric and natural gas industries. When an energy-related derivative contract is settled physically, any cumulative unrealized gain or loss is reversed and the contract price is recognized in the respective line item representing the actual price of the underlying goods being delivered.

At December 31, 2023 December 31, 2024, the net volume of energy-related derivative contracts for natural gas positions, together with the longest hedge date over which the respective entity is hedging its exposure to the variability in future cash flows for forecasted transactions and the longest non-hedge date for derivatives not designated as hedges, were as follows:

	Net Purchased mmBtu	Net Purchased mmBtu	Longest Hedge Date	Longest Non-Hedge Date	Net Purchased mmBtu	Longest Hedge Date	Longest Non-Hedge Date
	(in millions)						
Southern Company(*)							
Southern Company(*)							
Southern Company(*)		448	2030	2028	431	2030	2028
Alabama Power	Alabama Power	118	2026	—	Alabama Power	123	2027	—
Georgia Power	Georgia Power	128	2026	—	Georgia Power	116	2027	—
Mississippi Power	Mississippi Power	93	2028	—	Mississippi Power	103	2028	—
Southern Power	Southern Power	7	2030	2024	Southern Power	6	2030	2025
Southern Company Gas(*)	Southern Company Gas(*)	102	2027	2028	Southern Company Gas(*)	83	2027	2028

(*) Southern Company Gas' derivative instruments include both long and short natural gas positions. A long position is a contract to purchase natural gas and a short position is a contract to sell natural gas. Southern Company Gas' volume represents the net of long natural gas positions of 112 million 90 million mmBtu and short natural gas positions of 10 million 7 million mmBtu at December 31, 2023 December 31, 2024, which is also included in Southern Company's total volume.

In addition to the volumes discussed above, the traditional electric operating companies and Southern Power enter into physical natural gas supply contracts that provide the option to sell back excess natural gas due to operational constraints. The maximum expected volume of natural gas subject to such a feature is 12 million 15 million mmBtu for Southern Company, which includes 3 million 4 million mmBtu for Alabama Power, 4 million 6 million mmBtu for Georgia Power, 2 million mmBtu for Mississippi Power, and 3 million mmBtu for Southern Power.

For cash flow hedges of energy-related derivatives, the estimated pre-tax gains (losses) expected to be reclassified from AOCI to earnings for the year ending December 31, 2024 December 31, 2025 are $(37) million immaterial for Southern Company, $(4) million for Southern Power, and $(33) million for Southern Company Gas.

Interest Rate Derivatives

Southern Company and certain subsidiaries may enter into interest rate derivatives to hedge exposure to changes in interest rates. Derivatives related to existing variable rate securities or forecasted transactions are accounted for as cash flow hedges where the derivatives' fair value gains or losses are recorded in OCI and are reclassified into earnings at the same time and presented on the same income statement line item as the earnings effect of the hedged transactions. Derivatives related to existing fixed rate securities are accounted for as fair value hedges, where the derivatives' fair value gains or losses and hedged items' fair value gains or losses are both recorded directly to earnings on the same income statement line item. Fair value gains or losses on derivatives that are not designated or fail to qualify as hedges are recognized in the statements of income as incurred.

COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2023 December 31, 2024, the following interest rate derivatives were outstanding:

	Notional Amount		Notional Amount	Weighted Average Interest Rate Paid	Interest Rate Received	Hedge Maturity Date	Fair Value Gain (Loss) December 31, 2024
	Notional Amount						
	Notional Amount	Weighted Average Interest Rate Paid	Interest Rate Received	Hedge Maturity Date	Fair Value Gain (Loss) December 31, 2023		
	(in millions)		*(in millions)*			*(in millions)*	*(in millions)*	*(in millions)*

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Cash Flow Hedges of Forecasted Debt	
Georgia Power	
Georgia Power	
Georgia Power	
Mississippi Power	
Mississippi Power	
Fair Value Hedges of Existing Debt	
Fair Value Hedges of Existing Debt	
Fair Value Hedges of Existing Debt	
Southern Company parent	
Southern Company parent	
Southern Company parent	
Southern Company parent	
Southern Company Gas	
Southern Company	

For cash flow hedges of interest rate derivatives, the estimated pre-tax losses gains (losses) expected to be reclassified from AOCI to interest expense for the year ending December 31, 2024 December 31, 2025 are $19 million $(13) million for Southern Company and immaterial for the traditional electric operating companies and Southern Company Gas. Deferred gains and losses related to interest rate derivatives are expected to be amortized into earnings through 2054 for Southern Company, Georgia Power, and Mississippi Power, 2052 for Alabama Power, and 2046 for Southern Company Gas.

Foreign Currency Derivatives

Southern Company and certain subsidiaries, including Southern Power, may enter into foreign currency derivatives to hedge exposure to changes in foreign currency exchange rates, such as that arising from the issuance of debt denominated in a currency other than U.S. dollars. Derivatives related to forecasted transactions are accounted for as cash flow hedges where the derivatives' fair value gains or losses are recorded in OCI and are reclassified into earnings at the same time and on the same income statement line as the earnings effect of the hedged transactions, including foreign currency gains or losses arising from changes in the U.S. currency exchange rates. Derivatives related to existing fixed rate securities are accounted for as fair value hedges, where the derivatives' fair value gains or losses and hedged items' fair value gains or losses are both recorded directly to earnings on the same income statement line item, including foreign currency gains or losses arising from changes in the U.S. currency exchange rates. Southern Company has elected to exclude the cross-currency basis spread from the assessment of effectiveness in the fair value hedges of its foreign currency risk and record any difference between the change in the fair value of the excluded components and the amounts recognized in earnings as a component of OCI.

At December 31, 2023 December 31, 2024, the following foreign currency derivatives were outstanding:

	Pay Notional	Pay Notional	Pay Rate	Receive Notional	Receive Rate	Hedge Maturity Date	Fair Value Gain (Loss) December 31, 2023	Pay Notional	Pay Rate	Receive Notional	Receive Rate	Hedge Maturity Date	Fair Value Gain (Loss) December 31, 2024	
	(in millions)	*(in millions)*			*(in millions)*			*(in millions)*		*(in millions)*			*(in millions)*	*(in millions)*
Cash Flow Hedges of Existing Debt														
Southern Power														
Southern Power														
Southern Power														
Fair Value Hedges of Existing Debt														
Southern Company parent														
Southern Company parent														
Southern Company parent														
Southern Company														

For cash flow hedges of foreign currency derivatives, the estimated pre-tax losses expected to be reclassified from AOCI to earnings for the year ending December 31, 2024 December 31, 2025 are $11 million $25 million for Southern Power.

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Derivative Financial Statement Presentation and Amounts

The Registrants enter into derivative contracts that may contain certain provisions that permit intra-contract netting of derivative receivables and payables for routine billing and offsets related to events of default and settlements. Southern Company and certain subsidiaries also utilize master netting agreements to mitigate exposure to counterparty credit risk. These agreements may contain provisions that permit netting across product lines and against cash collateral. The fair value amounts of derivative assets and liabilities on the balance sheets are presented net to the extent that there are netting arrangements or similar agreements with the counterparties.

The fair value of energy-related derivatives, interest rate derivatives, and foreign currency derivatives was reflected in the balance sheets as follows:

	2023		2022	
Derivative Category and Balance Sheet Location	**Assets**	**Liabilities**	**Assets**	**Liabilities**
		(in millions)		
Southern Company				
Energy-related derivatives designated as hedging instruments for regulatory purposes				
Assets from risk management activities/Liabilities from risk management activities	**$ 12**	**$ 198**	$ 123	$ 121
Other deferred charges and assets/Other deferred credits and liabilities	**31**	**117**	52	44
Total derivatives designated as hedging instruments for regulatory purposes	**43**	**315**	175	165
Derivatives designated as hedging instruments in cash flow and fair value hedges				
Energy-related derivatives:				
Assets from risk management activities/Liabilities from risk management activities	**—**	**29**	3	27
Other deferred charges and assets/Other deferred credits and liabilities	**3**	**4**	6	4
Interest rate derivatives:				
Assets from risk management activities/Liabilities from risk management activities	**—**	**74**	12	62
Other deferred charges and assets/Other deferred credits and liabilities	**—**	**190**	—	240
Foreign currency derivatives:				
Assets from risk management activities/Liabilities from risk management activities	**—**	**34**	—	34
Other deferred charges and assets/Other deferred credits and liabilities	**—**	**88**	—	182
Total derivatives designated as hedging instruments in cash flow and fair value hedges	**3**	**419**	21	549
Energy-related derivatives not designated as hedging instruments				
Assets from risk management activities/Liabilities from risk management activities	**8**	**8**	13	13
Other deferred charges and assets/Other deferred credits and liabilities	**1**	**2**	2	1
Total derivatives not designated as hedging instruments	**9**	**10**	15	14
Gross amounts recognized	**55**	**744**	211	728
Gross amounts offset[a]	**(23)**	**(85)**	(70)	(111)
Net amounts recognized in the Balance Sheets[b]	**$ 32**	**$ 659**	$ 141	$ 617

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COMBINED NOTES TO FINANCIAL STATEMENTS

	2023		2022	
Derivative Category and Balance Sheet Location	**Assets**	**Liabilities**	**Assets**	**Liabilities**
		(in millions)		
Alabama Power[c]				
Energy-related derivatives designated as hedging instruments for regulatory purposes				
Other current assets/Other current liabilities	**$ 6**	**$ 69**	$ 42	$ 21
Other deferred charges and assets/Other deferred credits and liabilities	**9**	**41**	20	18
Total derivatives designated as hedging instruments for regulatory purposes	**15**	**110**	62	39
Gross amounts offset	**(10)**	**(10)**	(24)	(24)
Net amounts recognized in the Balance Sheets	**$ 5**	**$ 100**	$ 38	$ 15
Georgia Power				

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Energy-related derivatives designated as hedging instruments for regulatory purposes				
Other current assets/Other current liabilities	**$ 2**	**$ 82**	$ 36	$ 43
Other deferred charges and assets/Other deferred credits and liabilities	**10**	**42**	6	18
Total derivatives designated as hedging instruments for regulatory purposes	**12**	**124**	42	61
Energy-related derivatives not designated as hedging instruments				
Other deferred charges and assets/Other deferred credits and liabilities	**1**	**—**	**—**	1
Gross amounts recognized	**13**	**124**	42	62
Gross amounts offset	**(11)**	**(11)**	(21)	(21)
Net amounts recognized in the Balance Sheets	**$ 2**	**$ 113**	$ 21	$ 41
Mississippi Power[c]				
Energy-related derivatives designated as hedging instruments for regulatory purposes				
Other current assets/Other current liabilities	**$ 3**	**$ 27**	$ 33	$ 24
Other deferred charges and assets/Other deferred credits and liabilities	**12**	**34**	26	8
Total derivatives designated as hedging instruments for regulatory purposes	**15**	**61**	59	32
Gross amounts offset	**(14)**	**(14)**	(17)	(17)
Net amounts recognized in the Balance Sheets	**$ 1**	**$ 47**	$ 42	$ 15

The fair value of energy-related derivatives, interest rate derivatives, and foreign currency derivatives was reflected as either assets or liabilities in the balance sheets (included in "Other" or shown separately as "Risk Management Activities") as follows:

	2024		2023	
Derivative Category and Balance Sheet Location	**Assets**	**Liabilities**	**Assets**	**Liabilities**
		(in millions)		
Southern Company				
Energy-related derivatives designated as hedging instruments for regulatory purposes				
Current	**$ 33**	**$ 82**	$ 12	$ 198
Non-current	**42**	**40**	31	117
Total derivatives designated as hedging instruments for regulatory purposes	**75**	**122**	43	315
Derivatives designated as hedging instruments in cash flow and fair value hedges				
Energy-related derivatives:				
Current	**4**	**3**	—	29
Non-current	**4**	**—**	3	4
Interest rate derivatives:				
Current	**—**	**61**	—	74
Non-current	**—**	**208**	—	190
Foreign currency derivatives:				
Current	**—**	**36**	—	34
Non-current	**—**	**182**	—	88
Total derivatives designated as hedging instruments in cash flow and fair value hedges	**8**	**490**	3	419
Energy-related derivatives not designated as hedging instruments				
Current	**5**	**3**	8	8
Non-current	**1**	**—**	1	2
Total derivatives not designated as hedging instruments	**6**	**3**	9	10
Gross amounts recognized	**89**	**615**	55	744
Gross amounts offset[a]	**(44)**	**(61)**	(23)	(85)
Net amounts recognized in the Balance Sheets[b]	**$ 45**	**$ 554**	$ 32	$ 659
Alabama Power				
Energy-related derivatives designated as hedging instruments for regulatory purposes				
Current	**$ 11**	**$ 30**	$ 6	$ 69
Non-current	**15**	**12**	9	41
Total derivatives designated as hedging instruments for regulatory purposes	**26**	**42**	15	110
Gross amounts offset	**(19)**	**(19)**	(10)	(10)

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Net amounts recognized in the Balance Sheets	**$ 7**	**$ 23**	$ 5	$ 100

COMBINED NOTES TO FINANCIAL STATEMENTS

	2023		2022	
Derivative Category and Balance Sheet Location	**Assets**	**Liabilities**	**Assets**	**Liabilities**
		(in millions)		
Southern Power				
Derivatives designated as hedging instruments in cash flow and fair value hedges				
Energy-related derivatives:				
Other current assets/Other current liabilities	**$ —**	**$ 5**	$ —	$ 12
Other deferred charges and assets/Other deferred credits and liabilities	**3**	**—**	5	—
Foreign currency derivatives:				
Other current assets/Other current liabilities	**—**	**11**	—	11
Other deferred charges and assets/Other deferred credits and liabilities	**—**	**11**	—	36
Total derivatives designated as hedging instruments in cash flow and fair value hedges	**3**	**27**	5	59
Energy-related derivatives not designated as hedging instruments				
Other current assets/Other current liabilities	**—**	**—**	2	—
Other deferred charges and assets/Other deferred credits and liabilities	**—**	**—**	1	—
Total derivatives not designated as hedging instruments	**—**	**—**	3	—
Net amounts recognized in the Balance Sheets	**$ 3**	**$ 27**	$ 8	$ 59
Southern Company Gas				
Energy-related derivatives designated as hedging instruments for regulatory purposes				
Other current assets/Other current liabilities	**$ 1**	**$ 20**	$ 12	$ 33
Derivatives designated as hedging instruments in cash flow and fair value hedges				
Energy-related derivatives:				
Other current assets/Other current liabilities	**—**	**24**	3	15
Other deferred charges and assets/Other deferred credits and liabilities	**—**	**4**	1	4
Interest rate derivatives:				
Other current assets/Other current liabilities	**—**	**20**	—	14
Other deferred charges and assets/Other deferred credits and liabilities	**—**	**59**	—	72
Total derivatives designated as hedging instruments in cash flow and fair value hedges	**—**	**107**	4	105
Energy-related derivatives not designated as hedging instruments				
Other current assets/Other current liabilities	**7**	**8**	11	12
Other deferred charges and assets/Other deferred credits and liabilities	**1**	**2**	1	1
Total derivatives not designated as hedging instruments	**8**	**10**	12	13
Gross amounts recognized	**9**	**137**	28	151
Gross amounts offset[(a)]	**12**	**(50)**	—	(41)
Net amounts recognized in the Balance Sheets[(b)]	**$ 21**	**$ 87**	$ 28	$ 110

	2024		2023	
Derivative Category and Balance Sheet Location	**Assets**	**Liabilities**	**Assets**	**Liabilities**
		(in millions)		
Georgia Power				
Energy-related derivatives designated as hedging instruments for regulatory purposes				

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Current	$	6	$ 32	$ 2	$ 82
Non-current		13	9	10	42
Total derivatives designated as hedging instruments for regulatory purposes		**19**	**41**	12	124
Energy-related derivatives not designated as hedging instruments					
Current		—	1	—	—
Non-current		—	—	1	—
Total derivatives not designated as hedging instruments		**—**	**1**	1	—
Gross amounts recognized		**19**	**42**	13	124
Gross amounts offset		**(15)**	**(15)**	(11)	(11)
Net amounts recognized in the Balance Sheets	$	**4**	$ **27**	$ 2	$ 113
Mississippi Power					
Energy-related derivatives designated as hedging instruments for regulatory purposes					
Current	$	**5**	$ **15**	$ 3	$ 27
Non-current		**14**	**19**	12	34
Total derivatives designated as hedging instruments for regulatory purposes		**19**	**34**	15	61
Gross amounts offset		**(17)**	**(17)**	(14)	(14)
Net amounts recognized in the Balance Sheets	$	**2**	$ **17**	$ 1	$ 47
Southern Power					
Derivatives designated as hedging instruments in cash flow hedges					
Energy-related derivatives:					
Current	$	**1**	$ **—**	$ —	$ 5
Non-current		**3**	**—**	3	—
Foreign currency derivatives:					
Current		**—**	**11**	—	11
Non-current		**—**	**40**	—	11
Total derivatives designated as hedging instruments in cash flow hedges		**4**	**51**	3	27
Net amounts recognized in the Balance Sheets	$	**4**	$ **51**	$ 3	$ 27

COMBINED NOTES TO FINANCIAL STATEMENTS

	2024		2023	
Derivative Category and Balance Sheet Location	**Assets**	**Liabilities**	**Assets**	**Liabilities**
		(in millions)		
Southern Company Gas				
Energy-related derivatives designated as hedging instruments for regulatory purposes				
Current	$ **11**	$ **5**	$ 1	$ 20
Derivatives designated as hedging instruments in cash flow and fair value hedges				
Energy-related derivatives:				
Current	**3**	**3**	—	24
Non-current	**1**	**—**	—	4
Interest rate derivatives:				
Current	**—**	**17**	—	20
Non-current	**—**	**67**	—	59
Total derivatives designated as hedging instruments in cash flow and fair value hedges	**4**	**87**	—	107
Energy-related derivatives not designated as hedging instruments				

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Current	5	2	7	8
Non-current	1	—	1	2
Total derivatives not designated as hedging instruments	**6**	**2**	8	10
Gross amounts recognized	**21**	**94**	9	137
Gross amounts offset(a)	**7**	**(10)**	12	(50)
Net amounts recognized in the Balance Sheets(b)	**$ 28**	**$ 84**	$ 21	$ 87

(a) Gross amounts offset includes cash collateral held on deposit in broker margin accounts of $17 million and $62 million at December 31, 2024 and $41 million at December 31, 2023 and 2022, 2023, respectively.

(b) Net amounts of derivative instruments outstanding exclude immaterial premium and intrinsic value associated with weather derivatives for all periods presented.

(c) Energy-related derivatives not designated as hedging instruments were immaterial at December 31, 2022. There were no such instruments at December 31, 2023.

COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2023 December 31, 2024 and 2022, 2023, the pre-tax effects of unrealized derivative gains (losses) arising from energy-related derivative instruments designated as regulatory hedging instruments and deferred were as follows:

Regulatory Hedge Unrealized Gain (Loss) Recognized in the Balance Sheets

Derivative Category and Balance Sheet Location	Derivative Category and Balance Sheet Location	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas	Derivative Category and Balance Sheet Location	Southern Company	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas
	(in millions)						*(in millions)*					
At December 31, 2023:												
At December 31, 2024:												
Energy-related derivatives:												
Energy-related derivatives:												
Energy-related derivatives:												
Other regulatory assets, current												
Other regulatory assets, current												
Other regulatory assets, current												
Other regulatory assets, deferred												
Other regulatory liabilities, current												
Other regulatory liabilities, current												
Other regulatory liabilities, current												
Other regulatory liabilities, deferred												
Total energy-related derivative gains (losses)												
At December 31, 2022:												
At December 31, 2022:												
At December 31, 2022:												
At December 31, 2023:												
At December 31, 2023:												
At December 31, 2023:												
Energy-related derivatives:												
Energy-related derivatives:												
Energy-related derivatives:												
Other regulatory assets, current												
Other regulatory assets, current												

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Other regulatory assets, current	
Other regulatory assets, deferred	
Other regulatory liabilities, current	
Other regulatory liabilities, current	
Other regulatory liabilities, current	
Other regulatory liabilities, deferred	
Total energy-related derivative gains (losses)	

COMBINED NOTES TO FINANCIAL STATEMENTS

For the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, the pre-tax effects of cash flow and fair value hedge accounting on AOCI for the applicable Registrants were as follows:

Gain (Loss) From Derivatives Recognized in OCI	Gain (Loss) From Derivatives Recognized in OCI			Gain (Loss) From Derivatives Recognized in OCI		
	2023	2022	2021	2024	2023	2022
	(in millions)					
Southern Company						
Cash flow hedges:						
Cash flow hedges:						
Cash flow hedges:						
Energy-related derivatives						
Energy-related derivatives						
Energy-related derivatives						
Interest rate derivatives						
Foreign currency derivatives						
Fair value hedges(*):						
Foreign currency derivatives						
Foreign currency derivatives						
Foreign currency derivatives						
Total						
Georgia Power						
Georgia Power						
Georgia Power						
Cash flow hedges:						
Cash flow hedges:						
Cash flow hedges:						
Interest rate derivatives						
Interest rate derivatives						
Interest rate derivatives						
Southern Power						
Southern Power						
Mississippi Power						
Cash flow hedges:						
Cash flow hedges:						
Cash flow hedges:						

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Interest rate derivatives	
Interest rate derivatives	
Interest rate derivatives	
Southern Power	
Cash flow hedges:	
Cash flow hedges:	
Cash flow hedges:	
Energy-related derivatives	
Energy-related derivatives	
Energy-related derivatives	
Foreign currency derivatives	
Total	
Southern Company Gas	
Cash flow hedges:	
Cash flow hedges:	
Cash flow hedges:	
Energy-related derivatives	
Energy-related derivatives	
Energy-related derivatives	
Interest rate derivatives	
Total	

(*) Represents amounts excluded from the assessment of effectiveness for which the difference between changes in fair value and periodic amortization is recorded in OCI.

The pre-tax effects of interest rate derivatives designated as cash flow hedging instruments on AOCI were immaterial for Alabama Power for the years ended December 31, 2023 and 2022.

COMBINED NOTES TO FINANCIAL STATEMENTS

The pre-tax effects of interest rate derivatives designated as cash flow hedging instruments on AOCI were immaterial for Alabama Power for all years presented and immaterial for Mississippi Power in 2023.

The pre-tax effects of cash flow and fair value hedge accounting on income for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 were as follows:

Location and Amount of Gain (Loss) Recognized in Income on Cash Flow and Fair Value Hedging Relationships	2023	2022	2021
		(in millions)	
Southern Company			
Total cost of natural gas	**$ 1,644**	**$ 3,004**	**$ 1,619**
Gain (loss) on energy-related cash flow hedges[(a)]	(44)	37	17
Total other operations and maintenance	**6,093**	**6,573**	**5,902**
Gain (loss) on energy-related cash flow hedges[(a)]	(2)	—	—
Total depreciation and amortization	**4,525**	**3,663**	**3,565**
Gain (loss) on energy-related cash flow hedges[(a)]	(23)	(5)	9
Total interest expense, net of amounts capitalized	**(2,446)**	**(2,022)**	**(1,837)**
Gain (loss) on interest rate cash flow hedges[(a)]	(35)	(25)	(27)
Gain (loss) on foreign currency cash flow hedges[(a)]	(11)	(19)	(24)
Gain (loss) on interest rate fair value hedges[(b)]	37	(291)	(30)
Total other income (expense), net	**553**	**500**	**449**
Gain (loss) on foreign currency cash flow hedges[(a)(c)]	19	(83)	(104)
Gain (loss) on foreign currency fair value hedges	69	(106)	(63)

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Amount excluded from effectiveness testing recognized in earnings	(21)	24	3
Southern Power			
Total depreciation and amortization	**$ 504**	**$ 516**	**$ 517**
Gain (loss) on energy-related cash flow hedges[(a)]	(23)	(5)	9
Total interest expense, net of amounts capitalized	**(129)**	**(138)**	**(147)**
Gain (loss) on foreign currency cash flow hedges[(a)]	(11)	(19)	(24)
Total other income (expense), net	**12**	**7**	**10**
Gain (loss) on foreign currency cash flow hedges[(a)(c)]	19	(83)	(104)
Southern Company Gas			
Total cost of natural gas	**$ 1,644**	**$ 3,004**	**$ 1,619**
Gain (loss) on energy-related cash flow hedges[(a)]	(44)	37	17
Total other operations and maintenance	**1,194**	**1,176**	**1,072**
Gain (loss) on energy-related cash flow hedges[(a)]	(2)	—	—
Total interest expense, net of amounts capitalized	**(310)**	**(263)**	**(238)**
Gain (loss) on interest rate cash flow hedges[(a)]	(19)	(4)	—
Gain (loss) on interest rate fair value hedges[(b)]	6	(86)	—

(a) Reclassified from AOCI into earnings.

(b) For fair value hedges, changes in the fair value of the derivative contracts are generally equal to changes in the fair value of the underlying debt and have no material impact on income.

(c) The reclassification from AOCI into other income (expense), net completely offsets currency gains and losses arising from changes in the U.S. currency exchange rates used to record the euro-denominated notes.

		Gain (Loss)		
Statements of Income Location	**Derivative Category**	**2024**	**2023**	**2022**
			(in millions)	
Southern Company				
Cost of natural gas	Energy-related cash flow hedges	**$ (40)**	$ (44)	$ 37
Other operations and maintenance	Energy-related cash flow hedges	**(2)**	(2)	**—**
Depreciation and amortization	Energy-related cash flow hedges	**(6)**	(23)	(5)
Interest expense, net of amounts capitalized	Interest rate cash flow hedges	**(16)**	(35)	(25)
	Foreign currency cash flow hedges	**(12)**	(11)	(19)
	Interest rate fair value hedges	**(4)**	37	(291)
Other income (expense), net	Foreign currency cash flow hedges	**(33)**	19	(83)
	Foreign currency fair value hedges	**2**	69	(106)
	Amount excluded from effectiveness testing recognized in earnings	**(16)**	(21)	24
Southern Power				
Depreciation and amortization	Energy-related cash flow hedges	**$ (6)**	$ (23)	$ (5)
Interest expense, net of amounts capitalized	Foreign currency cash flow hedges	**(12)**	(11)	(19)
Other income (expense), net	Foreign currency cash flow hedges	**(33)**	19	(83)
Southern Company Gas				
Cost of natural gas	Energy-related cash flow hedges	**$ (40)**	$ (44)	$ 37
Other operations and maintenance	Energy-related cash flow hedges	**(2)**	(2)	—
Interest expense, net of amounts capitalized	Interest rate cash flow hedges	**(1)**	(19)	(4)
	Interest rate fair value hedges	**(5)**	6	(86)

The pre-tax effects of cash flow hedge accounting on income for interest rate derivatives were immaterial for the traditional electric operating companies for all years presented.

At December 31, 2024 and 2023, the following amounts were recorded on the balance sheets related to cumulative basis adjustments for fair value hedges:

	Carrying Amount of the Hedged Item		Cumulative Amount of Fair Value Hedging Adjustment included in Carrying Amount of the Hedged Item	
Balance Sheet Location of Hedged Items	**At December 31, 2024**	**At December 31, 2023**	**At December 31, 2024**	**At December 31, 2023**
	(in millions)		*(in millions)*	
Southern Company				
Long-term debt	**$ (2,936)**	$ (3,024)	**$ 242**	$ 235

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Southern Company Gas						
Long-term debt	**$**	**(422)**	$ (427)	**$**	**75**	$ 70

COMBINED NOTES TO FINANCIAL STATEMENTS

At December 31, 2023 and 2022, the following amounts were recorded on the balance sheets related to cumulative basis adjustments for fair value hedges:

	Carrying Amount of the Hedged Item		Cumulative Amount of Fair Value Hedging Adjustment included in Carrying Amount of the Hedged Item	
Balance Sheet Location of Hedged Items	**At December 31, 2023**	**At December 31, 2022**	**At December 31, 2023**	**At December 31, 2022**
	(in millions)		*(in millions)*	
Southern Company				
Long-term debt	**$ (3,024)**	$ (2,927)	**$ 235**	$ 282
Southern Company Gas				
Long-term debt	**$ (427)**	$ (415)	**$ 70**	$ 81

The pre-tax effects of energy-related derivatives not designated as hedging instruments on the statements of income of Southern Company and Southern Company Gas for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 were as follows:

			Gain (Loss)								
Derivatives in Non-Designated Hedging Relationships	**Derivatives in Non-Designated Hedging Relationships**	**Statements of Income Location**	**2023**	**2022**	**2021**	**Derivatives in Non-Designated Hedging Relationships**	**Statements of Income Location**	**2024**	**2023**	**2022**
			(in millions)							
Energy-related derivatives										
Energy-related derivatives										
Energy-related derivatives										
	Cost of natural gas									
Total derivatives in non-designated hedging relationships										
Total derivatives in non-designated hedging relationships										
Total derivatives in non-designated hedging relationships										

(*) Excludes the impact of weather derivatives recorded in natural gas revenues of $12 million, $15 million, and $(7) million for 2024, 2023 and 2022, respectively, as they are accounted for based on intrinsic value rather than fair value. There was no weather derivatives impact for 2021.

The pre-tax effects of energy-related derivatives not designated as hedging instruments were immaterial for all other Registrants for all years presented.

Contingent Features

The Registrants do not have any credit arrangements that would require material changes in payment schedules or terminations as a result of a credit rating downgrade. There are certain derivatives that could require collateral, but not accelerated payment, in the event of various credit rating changes of certain Southern Company subsidiaries. Generally, collateral may be provided by a Southern Company guaranty, letter of credit, or cash. At December 31, 2023 December 31, 2024, the Registrants had no collateral posted with derivative counterparties to satisfy these arrangements.

For Southern Company, the fair value of foreign currency derivative liabilities and interest rate derivative liabilities with contingent features, and the maximum potential collateral requirements arising from the credit-risk-related contingent features at a rating below BBB- and/or Baa3, was $52 $72 million at December 31, 2023 December 31, 2024. For Southern Power, the fair value of foreign currency derivative liabilities with contingent features, and the maximum potential collateral requirements arising from the credit-risk-related contingent features at a rating below BBB- and/or Baa3, was immaterial $24 million at December 31, 2023 December 31, 2024. For the traditional electric operating companies and Southern Power, energy-related derivative liabilities with contingent features and the maximum potential collateral requirements arising from the credit-risk-related contingent features, at a rating below BBB- and/or Baa3, were immaterial at December 31, 2023. 2024. The maximum potential collateral requirements arising from the credit-risk-related contingent features for the traditional electric operating companies and Southern Power include certain agreements that could require collateral in the event that one or more Southern Company power pool participants has a credit rating change to below investment grade.

Alabama Power and Southern Power maintain accounts with certain regional transmission organizations to facilitate financial derivative transactions, and they may be required to post collateral based on the value of the positions in these accounts and the associated margin requirements. At December 31, 2023 December 31, 2024, cash collateral posted in these accounts was immaterial for Alabama Power and Southern Power. Southern Company Gas maintains accounts with brokers or the clearing houses of certain exchanges to facilitate financial derivative transactions. Based on the value of the positions in these accounts and the associated margin requirements, Southern Company Gas may be required to deposit cash into these accounts. At December 31, 2023 December 31, 2024, cash collateral held on deposit in broker margin accounts was $62 million $17 million.

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The Registrants are exposed to losses related to financial instruments in the event of counterparties' nonperformance. The Registrants only generally enter into agreements and material transactions with counterparties that have investment grade credit ratings by Moody's, and S&P, or Fitch or with counterparties who have posted collateral to cover potential credit exposure. The Registrants have also established risk management policies and controls to determine and monitor the creditworthiness of counterparties in order to mitigate their exposure to counterparty credit risk.

Southern Company Gas uses established credit policies to determine and monitor the creditworthiness of counterparties, including requirements to post collateral or other credit security, as well as the quality of pledged collateral. Collateral or credit security is most often in the form of cash or letters of credit from an investment-grade financial institution, but may also include cash or U.S. government securities held by a trustee. Prior to entering a physical transaction, Southern Company Gas assigns its counterparties an internal credit rating and credit limit based on the counterparties' Moody's, S&P, and Fitch ratings, commercially available credit reports, and audited financial statements. Southern Company Gas may require counterparties to pledge additional collateral when deemed necessary.

Southern Company Gas utilizes netting agreements whenever possible to mitigate exposure to counterparty credit risk. Netting agreements enable Southern Company Gas to net certain assets and liabilities by counterparty across product lines and against

cash collateral, provided the netting and cash collateral agreements include such provisions. While the amounts due from, or owed to, counterparties are settled net, they are recorded on a gross basis on the balance sheet as energy marketing receivables and energy marketing payables.

The Registrants do not anticipate a material adverse effect on their respective financial statements as a result of counterparty nonperformance.

15. ACQUISITIONS AND DISPOSITIONS

None of the dispositions discussed herein, both individually and combined, represented a strategic shift in operations for the applicable Registrants that has, or is expected to have, a major effect on its operations and financial results; therefore, none of the assets related to the sales have been classified as discontinued operations for any of the periods presented.

Southern Company

In October 2021, Southern Company completed the sale of a leveraged lease investment to the lessee for $45 million. No gain or loss was recognized on the sale; however, it did result in the recognition of approximately $16 million of additional tax benefits. Prior to the sale, in the second quarter 2021, a charge of $7 million ($6 million after tax) was recorded to reduce the investment to its estimated fair value, less costs to sell.

In December 2021, Southern Company completed the termination of its leasehold interest in assets associated with its two international leveraged lease projects and received cash proceeds of approximately $673 million after the accelerated exercise of the lessee's purchase options. The pre-tax gain associated with the transaction was approximately $93 million ($99 million gain after tax).

Alabama Power

In September 2022, Alabama Power completed its acquisition of the Calhoun Generating Station, which was accounted for as an asset acquisition. The total purchase price was $179 million, of which $171 million was related to net assets recorded within property, plant, and equipment on the balance sheet and reflected in property additions within the investing section of the statement of cash flows. The remainder primarily related to fossil fuel stock and materials and supplies. See Note 2 under "Alabama Power – Rate CNP New Plant" for additional information.

On October 24, 2024, Alabama Power entered into an agreement to acquire all of the equity interests in Tenaska Alabama Partners, L.P., which owns and operates the Lindsay Hill Generating Station. See Note 2 under "Alabama Power – Petition for Certificate of Convenience and Necessity" for additional information.

Mississippi Power

 On November 8, 2024, Mississippi Power entered into an agreement with FP&L to acquire FP&L's 50% ownership interest in Plant Daniel Units 1 and 2. See Note 2 under "Mississippi Power – Plant Daniel" for additional information.

Southern Power

Southern Power's acquisition-related costs for the projects discussed under "Asset Acquisitions" and "Construction Projects" were not material for any of the years presented. There were no asset acquisitions during 2022.

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Asset Acquisitions

Project Facility	Resource	Seller	Approximate Nameplate Capacity (*MW*)	Location	Southern Power Ownership Percentage	Expected/Actual COD	PPA Contract Period
Asset Acquisitions During 2023							
Millers Branch[(a)]	Solar	EDF Renewables Development, Inc.	200	Haskell County, TX	100%	Fourth quarter 2025	20 years
South Cheyenne	Solar	Hanwha Q Cells USA Corp.	150	Laramie County, WY	100%	Second quarter 2024	20 years
Asset Acquisitions During 2021							
Deuel Harvest[(b)]	Wind	Invenergy Renewables LLC	300	Deuel County, SD	100% of Class B	February 2021	25 years and 15 years

(a) The project includes an option to expand capacity up to an additional 300 MWs. Subsequent to December 31, 2023, Southern Power committed to expand the construction of the facility through a second phase adding up to 205 MWs, with commercial operation expected to occur in the second quarter 2026.

(b) In March 2021, During 2023, Southern Power acquired a controlling interest in the project from Invenergy Renewables LLC Millers Branch and completed a tax equity transaction whereby it sold the Class A membership interests in the project. Southern Power consolidates the project's operating results in its financial statements and the tax equity partner and Invenergy Renewables LLC each own a noncontrolling interest.

The South Cheyenne projects, as discussed further under "Construction Projects" below, with an aggregate purchase price for the two projects acquired of $193 million. There were no asset acquisitions during 2023 was $193 million, which is primarily recorded within construction work in progress on the balance sheet at December 31, 2023. 2024 and 2022.

Construction Projects

During 2024, Southern Power completed construction of and placed in service the 150-MW South Cheyenne solar facility. In addition, Southern Power continued construction of the 200-MW first phase and began construction of the 180-MW second phase and the 132-MW third phase of the Millers Branch solar facility. At December 31, 2024, the total cost of construction incurred for the Millers Branch project was $292 million, which is primarily included in CWIP.

Project Facility	Resource	Approximate Nameplate Capacity (*MW*)	Location	Actual/Projected COD	PPA Contract Period
Projects Under Construction at December 31, 2024					
Millers Branch					
Phase I	Solar	200	Haskell County, TX	Fourth quarter 2025	20 years
Phase II	Solar	180	Haskell County, TX	Second quarter 2026	15 years
Phase III	Solar	132	Haskell County, TX	Fourth quarter 2026	15 years
Projects Completed During 2024					
South Cheyenne	Solar	150	Laramie County, WY	April 2024	20 years
Projects Completed During 2022					
Garland Solar Storage[(a)]	Battery energy storage	88	Kern County, CA	September 2021 through February 2022[(b)]	20 years
Tranquillity Solar Storage[(a)]	Battery energy storage	72	Fresno County, CA	November 2021 through March 2022[(c)]	20 years
Projects Completed During 2021					
Glass Sands[(d)]	Wind	118	Murray County, OK	November 2021	12 years

(a) In 2020, Southern Power restructured its ownership of the project, while retaining the controlling interests, by contributing the Class A membership interests to an existing partnership and selling 100% of the Class B membership interests. During 2021, Southern Power further restructured its ownership in the battery energy storage projects and completed tax equity transactions whereby it sold the Class A membership interests in the projects. Southern Power consolidates each project's operating results in its financial statements and the tax equity partner and two other partners each own a noncontrolling interest. See Note 9 under "Lessor" for additional information.

(b) The facility has a total capacity of 88 MWs, of which 73 MWs were placed in service in 2021 and 15 MWs were placed in service in 2022.

(c) The facility has a total capacity of 72 MWs, of which 32 MWs were placed in service in 2021 and 40 MWs were placed in service in 2022.

(d) In December 2020, Southern Power purchased 100% of the membership interests of the Glass Sands facility.

Development Projects

Southern Power purchased wind turbine equipment in 2016 and 2017 for deployment to development and construction projects. All of this equipment has either been deployed to projects that have been completed or has been sold to third parties. Gains on wind turbine equipment contributed to various equity method investments totaled approximately $37 million in 2021.

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Development Projects

In November 2024, Southern Power committed to a development project to repower 200 MWs of the 299-MW Kay Wind facility located in Kay County, Oklahoma. The output of the project is contracted under an amended 20-year PPA with commercial operation projected to occur in the third quarter 2026.

Southern Company Gas

Sale of Sequent

In July 2021, Southern Company Gas affiliates completed the sale of Sequent to Williams Field Services Group for a total cash purchase price of $159 million, including final working capital adjustments. The pre-tax gain associated with the transaction was approximately $121 million ($92 million after tax). The sale resulted in $85 million of additional tax expense.

Sale of Natural Gas Storage Facilities

In September 2022, certain affiliates of Southern Company Gas entered into agreements to sell two natural gas storage facilities located in California and Texas for an aggregate purchase price of $186 million, plus working capital and certain other adjustments. The sale of the Texas facility was completed in November 2022 and the sale of the California facility was completed on September 22, 2023. in September 2023. Both sales resulted in an immaterial loss. Completion of the sale of the Texas facility was subject to release of a Southern Company Gas parent guarantee, which was executed in October 2022 and, as a result, Southern Company Gas recorded pre-tax impairment charges totaling approximately $131 million ($99 million after tax) in the fourth quarter 2022.

Neither of these dispositions, both individually and combined, represented a strategic shift in operations for Southern Company Gas that has, or is expected to have, a major effect on its operations and financial results; therefore, none of the assets related to the sales were classified as discontinued operations for the applicable periods presented.

16. SEGMENT AND RELATED INFORMATION

The Registrants adopted ASU 2023-07 and applied the guidance retrospectively effective for the fiscal year beginning January 1, 2024. See Note 1 under "Recently Adopted Accounting Standards" for additional information.

The CODM at Southern Company, the traditional electric operating companies, and Southern Company Gas is the chairman, president, and chief executive officer of such Registrant. Southern Power's CODM consists of the chairman and chief executive officer and the president. The CODMs assess segment performance using net income that is reflected on the Registrants' respective statements of income as net income attributable to the registrant, net income after dividends on preferred stock, or net income, as applicable. The CODMs use net income in the annual budget and forecasting process and consider budget versus actual results on a monthly basis when making decisions about the allocation of resources. Unless noted below, the CODMs do not utilize segment asset information.

Southern Company

Southern Company's reportable business segments are the sale of electricity by the traditional electric operating companies, the sale of electricity in the competitive wholesale market by Southern Power, and the sale of natural gas and other complementary products and services by Southern Company Gas. While the traditional electric operating companies represent three separate operating segments, they are vertically integrated utilities providing electric service to retail customers, as well as wholesale customers, in the Southeast and have been aggregated into one reportable segment. Revenues from sales by Southern Power to the traditional electric operating companies were $537 million $371 million, $875 million $537 million, and $515 million $875 million in 2024, 2023, 2022, and 2021, 2022, respectively. Revenues from sales of natural gas from Southern Company Gas to the traditional electric operating companies and Southern Power were immaterial for all periods presented. Revenues from sales of natural gas from Southern Company Gas (prior to its sale of Sequent) to Southern Power were $18 million in 2021. The "All Other" column includes the Southern Company parent entity, which does not allocate operating expenses to business segments. Also, this category includes segments below the quantitative threshold for separate disclosure. These segments include providing distributed energy and resilience solutions and deploying microgrids for commercial, industrial, governmental, and utility customers, as well as investments in telecommunications. All other inter-segment revenues are not material.

Southern Company's CODM utilizes segment net income, including variances to budget and forecasts, to assess performance and is not provided with segment expense information. To achieve the consolidated net income goal, Southern Company's CODM sets net income expectations for each operating segment, which is expected to monitor its expenses in order to achieve its assigned net income target. Therefore, Southern Company has no reportable significant segment expenses.

COMBINED NOTES TO FINANCIAL STATEMENTS

Financial data for business segments and products and services for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 was as follows:

	Electric Utilities	
	Traditional Electric Operating Companies	Traditional Electric Operating Companies

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	Traditional Electric Operating Companies	Southern Power	Eliminations	Total	Southern Company Gas	All Other	Eliminations	Consolidated	Southern Power	Eliminations	Total	Southern Company Gas	Total Reportable Segments	All Other	Eliminations	Consolidated	
				(in millions)									*(in millions)*				*(in millions*
2023																	
2024																	
Operating revenues																	
Operating revenues																	
Operating revenues																	
Depreciation and amortization																	
Interest income																	
Other segment items[a][b][c][d]																	
Depreciation and amortization[e]																	
Earnings from equity method investments																	
Interest expense																	
Income taxes (benefit)																	
Segment net income (loss) [d] [f]																	
Goodwill																	
Goodwill																	
Goodwill																	
Total assets																	
Total assets																	
Total assets																	
2022																	
2023																	
2023																	
2023																	
Operating revenues																	
Operating revenues																	
Operating revenues																	
Other segment items[a][c][g][h]																	

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Depreciation and amortization			
Interest income			
Earnings from equity method investments			
Interest expense			
Income taxes (benefit)			
Segment net income (loss)[f][h]			
Goodwill			
Goodwill			
Goodwill			
Total assets			
Total assets			
Total assets			
2021			
2022			
2022			
2022			
Operating revenues			
Operating revenues			
Operating revenues			
Other segment items[a][c][f][j]			
Depreciation and amortization			
Interest income			
Earnings from equity method investments			
Interest expense			
Income taxes (benefit)			
Segment net income (loss)[f][j]			
Goodwill			
Goodwill			
Goodwill			
Total assets			
Total assets			
Total assets			

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(a) Primarily consists of fuel, purchased power, cost of natural gas, cost of other sales, other operations and maintenance, taxes other than income taxes, charges (credits) to income for estimated probable losses, losses (gains) on asset dispositions, impairment charges, AFUDC equity, non-service cost-related retirement benefits income, and net income (loss) attributable to noncontrolling interests.

(b) For the traditional electric operating companies, includes a pre-tax impairment loss at Alabama Power of $36 million ($27 million after tax) related to Alabama Power discontinuing the development of a multi-use commercial facility. See Note 1 under "Impairment of Long-Lived Assets" for additional information.

COMBINED NOTES TO FINANCIAL STATEMENTS

(a) Attributable to Southern Company.

(b) (c) For the traditional electric operating companies, includes pre-tax charges (credits) to income at Georgia Power for the estimated probable loss associated with the construction and completion of Plant Vogtle Units 3 and 4 of $(21) million ($(16) million after tax) in 2024, $(68) million ($(50) million after tax) in 2023, $183 million and $183 million ($137 million after tax) in 2022, and $1.7 billion ($1.3 billion after tax) in 2021. 2022. See Note 2 under "Georgia Power – Nuclear Construction" for additional information.

(c) (d) For the traditional electric operating companies, includes a pre-tax gain at Georgia power of approximately $114 million ($84 million after tax) related to the sale of transmission line assets under the integrated transmission system agreement. See Note 2 under "Georgia Power – Transmission Asset Sales" for additional information.

(e) For Southern Power, includes pre-tax accelerated depreciation of $9 million ($7 million after tax) related to the commitment to repower 200 MWs of the Kay Wind facility. See Note 15 under "Southern Power – Development Projects" for additional information.

(f) Attributable to Southern Company.

(g) For Southern Power, includes an $18 million pre-tax loss recovery ($9 million after tax and partnership allocations) related to an arbitration award and a $16 million pre-tax gain ($12 million after tax) on the sale of spare parts. See Note 3 under "General Litigation Matters – Southern Power" for additional information.

(d) (h) For Southern Company Gas, includes pre-tax charges totaling approximately $96 million ($72 million after tax) associated with the disallowance of certain capital investments at Nicor Gas. See Note 2 under "Southern Company Gas" for additional information.

(e) (i) For Southern Company Gas, includes pre-tax impairment charges totaling approximately $131 million ($99 million after tax) related to the sale of natural gas storage facilities. See Note 15 under "Southern Company Gas" for additional information.

(f) (j) For the "All Other" column, includes a $119 million goodwill impairment loss (pre-tax and after tax) at PowerSecure. See Note 1 under "Goodwill and Other Intangible Assets" for additional information.

(g) For Southern Power, includes gains on wind turbine equipment contributed to various equity method investments totaling approximately $37 million pre-tax ($28 million after tax). See Notes 7 and 15 under "Southern Power" for additional information.

(h) For Southern Company Gas, includes a pre-tax gain of $121 million ($92 million after tax) related to its sale of Sequent, as well as the resulting $85 million of additional tax expense due to changes in state apportionment rates, and pre-tax impairment charges totaling $84 million ($67 million after tax) related to its equity method investment in the PennEast Pipeline project. See Notes 7 and 15 under "Southern Company Gas" for additional information.

(i) For the "All Other" column, includes a pre-tax gain of $93 million ($99 million gain after tax) associated with the termination of two leveraged leases projects. See Note 15 under "Southern Company" for additional information.

Products and Services

Electric Utilities' Revenues

Year	Year	Retail	Wholesale	Other	Total	Year	Retail	Wholesale	Other	Total
			(in millions)							
2024										
2023										
2022										
2021										

Southern Company Gas' Revenues

Southern Company Gas' Revenues

Southern Company Gas' Revenues

Year	Year	Gas Distribution Operations	Gas Marketing Services	All Other	Total	Year	Gas Distribution Operations	Gas Marketing Services	All Other	Total
				(in millions)						
2024										
2023										
2022										
2021										

Traditional Electric Operating Companies

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Each of the traditional electric operating companies' single reportable business segment is the sale of electricity. Revenues from products and services of the traditional electric operating companies are segregated into retail, wholesale, and other as reflected on their statements of income.

Alabama Power and Georgia Power have identified utility operations and maintenance expenses as significant segment expenses provided to their CODMs. Utility operations and maintenance expenses is calculated as other operations and maintenance, as reflected on the statements of income, less expenses from unregulated products and services, losses (gains) on asset dispositions, impairment charges, and amortization of cloud software. Alabama Power's utility operations and maintenance expenses are disaggregated into expenses related to Rate RSE and Rate CNP Compliance, which are not applicable to Georgia Power. See Note 2 under "Alabama Power" for additional information.

COMBINED NOTES TO FINANCIAL STATEMENTS

Financial data for Alabama Power's and Georgia Power's significant segment expenses and other segment information for the years ended December 31, 2024, 2023, and 2022 was as follows:

	2024	2023	2022
		(in millions)	
Alabama Power			
Operating revenues	**$ 7,554**	$ 7,050	$ 7,817
Utility operations and maintenance			
Rate RSE expenses	**1,480**	1,421	1,645
Rate CNP Compliance expenses	**279**	254	237
Total utility operations and maintenance	**1,759**	1,675	1,882
Other segment items[a][b]	**2,125**	2,098	2,915
Depreciation and amortization	**1,459**	1,401	875
Interest expense	**448**	425	382
Income taxes	**360**	81	423
Segment net income[b]	**$ 1,403**	$ 1,370	$ 1,340
Capital expenditures	**$ 2,114**	$ 2,159	$ 2,206
Georgia Power			
Operating revenues	**$ 11,331**	$ 10,118	$ 11,584
Utility operations and maintenance	**2,210**	1,901	2,237
Other segment items[a][c][d]	**3,476**	3,382	5,249
Depreciation and amortization	**1,774**	1,681	1,430
Interest expense	**725**	626	485
Income taxes	**603**	448	370
Segment net income[c][d]	**$ 2,543**	$ 2,080	$ 1,813
Capital expenditures	**$ 5,355**	$ 5,394	$ 4,219

(a) Primarily consists of fuel, purchased power, expenses from unregulated products and services, losses (gains) on asset dispositions, impairment charges, amortization of cloud software, taxes other than income taxes, charges (credits) to income for estimated probable losses, AFUDC equity, and non-service cost-related retirement benefits income. Also includes earnings from equity method investments, which were immaterial for all periods presented.

(b) For 2024, includes a pre-tax impairment loss of $36 million ($27 million after tax) related to Alabama Power discontinuing the development of a multi-use commercial facility. See Note 1 under "Impairment of Long-Lived Assets" for additional information.

(c) Includes pre-tax charges (credits) to income for the estimated probable loss associated with the construction and completion of Plant Vogtle Units 3 and 4 of $(21) million ($(16) million after tax) in 2024, $(68) million ($(50) million after tax) in 2023, and $183 million ($137 million after tax) in 2022. See Note 2 under "Georgia Power – Nuclear Construction" for additional information.

(d) For 2024, includes a pre-tax gain of approximately $114 million ($84 million after tax) related to the sale of transmission line assets under the integrated transmission system agreement. See Note 2 under "Georgia Power – Transmission Asset Sales" for additional information.

Mississippi Power's CODM utilizes segment expense information in the form of variances to budget to assess performance; therefore, Mississippi Power has no reportable significant segment expenses. Mississippi Power's segment information for revenues, depreciation and amortization, interest expense, and income taxes is reflected on its statements of income. Mississippi Power's earnings from equity method investments are included in other income (expense), net on its statements of income and were immaterial for all periods presented. Other segment items primarily consist of fuel and purchased power, other operations and maintenance, taxes other than income taxes, and non-service cost-related retirement benefits income and totaled $0.9 billion, $1.0 billion, and $1.3 billion for the years ended December 31, 2024, 2023, and 2022, respectively.

Southern Power

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Southern Power's single reportable business segment is the sale of electricity in the competitive wholesale market. Substantially all of Southern Power's revenues from products and services are reflected as wholesale on its consolidated statements of income. Southern Power's CODM utilizes segment expense information in the form of variances to budget to assess performance; therefore, Southern Power has no reportable significant segment expenses. Southern Power's segment information for revenues, depreciation and amortization, interest expense, and income taxes (benefit) is reflected on its consolidated statements of income. Southern Power had no earnings from equity method investments for any period presented. Other segment items primarily consist of fuel, purchased power, other operations and maintenance, taxes other than income taxes, losses (gains) on asset dispositions,

COMBINED NOTES TO FINANCIAL STATEMENTS

and net income (loss) attributable to noncontrolling interests and totaled $1.1 billion, $1.2 billion, and $2.3 billion for the years ended December 31, 2024, 2023, and 2022, respectively.

Southern Company Gas

Southern Company Gas manages its business through three reportable segments – gas distribution operations, gas pipeline investments, and gas marketing services. Prior to the sale of Sequent on July 1, 2021, Southern Company Gas' reportable segments also included wholesale gas services. The non-reportable segments are combined and presented as all other. See Note 15 under "Southern Company Gas" for additional information on the disposition activities described herein.

Gas The gas distribution operations segment is the largest component of Southern Company Gas' business and includes natural gas local distribution utilities that construct, manage, and maintain intrastate natural gas pipelines and gas distribution facilities in four states.

Gas The gas pipeline investments segment consists of joint ventures in natural gas pipeline investments including a 50% interest in SNG and a 50% joint ownership interest in the Dalton Pipeline. These natural gas pipelines enable the provision of diverse sources of natural gas supplies to the customers of Southern Company Gas. See Notes 5 and 7 for additional information.

Through July 1, 2021, wholesale The gas services provided natural gas asset management and/or related logistics services for each of Southern Company Gas' utilities except Nicor Gas as well as for non-affiliated companies. Additionally, wholesale gas services engaged in natural gas storage and gas pipeline arbitrage and related activities.

Gas marketing services segment provides natural gas marketing to end-use customers primarily in Georgia and Illinois through SouthStar.

The all other "All Other" column includes segments and subsidiaries that fall below the quantitative threshold for separate disclosure, including storage and fuels operations. The all other "All Other" column included a natural gas storage facility in Texas through its sale in November 2022 and a natural gas storage facility in California through its sale in September 2023.

Southern Company Gas' CODM utilizes segment expense information in the form of variances to budget to assess performance; therefore, Southern Company Gas has no reportable significant segment expenses.
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COMBINED NOTES TO FINANCIAL STATEMENTS

Financial data for business segments for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 was as follows:

	Gas Distribution Operations	Gas Distribution Operations	Gas Pipeline Investments	Wholesale Gas Services[a]	Gas Marketing Services	All Other	Total	Eliminations	Consolidated	Gas Distribution Operations	Gas Pipeline Investments	Gas Marketing Services	Total Reportable Segments	All Other	Eliminations	Consolidated
			(in millions)								*(in millions)*					*(in millions)*
2023																
2024																
Operating revenues																
Operating revenues																
Operating revenues																
Other segment items[a]																
Depreciation and amortization																
Operating income (loss)																

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Earnings from equity method investments			
Interest expense			
Income taxes			
Segment net income (loss) [(b)]			
Total assets			
Total assets			
Total assets			
2023			
2023			
2023			
Operating revenues			
Operating revenues			
Operating revenues			
Other segment items[(a)(b)]			
Depreciation and amortization			
Earnings from equity method investments			
Interest expense			
Income taxes			
Segment net income (loss)[(c)] [(b)]			
Total assets			
Total assets			
Total assets			
2022			
2022			
2022			
Operating revenues			
Operating revenues			
Operating revenues			
Other segment items[(a)(c)]			
Depreciation and amortization			
Operating income (loss)			
Earnings from equity method investments			
Interest expense			
Income taxes (benefit)			

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Segment net income (loss)(c) (b)

Segment net income (loss)(f) (c)

Total assets

Total assets

Total assets

2021

Operating revenues

Operating revenues

Operating revenues

Depreciation and amortization

Operating income (loss)

Earnings from equity method investments

Interest expense

Income taxes

Segment net income (loss)(f) (c)

Total assets

Total assets

Total assets

(a) As a result Primarily consists of the sale cost of Sequent, wholesale natural gas, services is no longer a reportable segment in 2023 or 2022. Prior to the sale of Sequent, the revenues for wholesale gas services were netted with costs associated with its energy other operations and risk management activities. A reconciliation of operating revenues maintenance, taxes other than income taxes, impairment charges, estimated loss on regulatory disallowance, AFUDC equity, and intercompany revenues is shown in the following table. non-service cost-related retirement benefits income.

	Third Party Gross Revenues	Intercompany Revenues	Total Gross Revenues	Less Gross Gas Costs	Operating Revenues
			(in millions)		
2021	$ 3,881	$ 90	$ 3,971	$ 3,783	$ 188

(b) For gas distribution operations, includes pre-tax charges totaling approximately $96 million ($72 million after tax) associated with the disallowance of certain capital investments at Nicor Gas. See Note 2 under "Southern Company Gas" for additional information.

(c) For the "All Other" column, includes pre-tax impairment charges totaling approximately $131 million ($99 million after tax) related to the sale of natural gas storage facilities. See Note 15 under "Southern Company Gas" for additional information.

(d) For gas pipeline investments, includes pre-tax impairment charges totaling $84 million ($67 million after tax) related to the equity method investment in the PennEast Pipeline project. See Note 7 under "Southern Company Gas" for additional information.

(e) For wholesale gas services, includes a pre-tax gain of $121 million ($92 million after tax) related to the sale of Sequent.

(f) For the "All Other" column, includes $85 million of additional tax expense as a result of the sale of Sequent.

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Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

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Disclosure Controls and Procedures.

As of the end of the period covered by this Annual Report on Form 10-K, Southern Company, Alabama Power, Georgia Power, Mississippi Power, Southern Power, and Southern Company Gas conducted separate evaluations under the supervision and with the participation of each company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended). Based upon these evaluations, the Chief Executive Officer and the Chief Financial Officer, in each case, concluded that the disclosure controls and procedures are effective.

Internal Control Over Financial Reporting.

(a) Management's Annual Report on Internal Control Over Financial Reporting.

	Page
Southern Company	II-256 250
Alabama Power	II-257 251
Georgia Power	II-258 252
Mississippi Power	II-259 253
Southern Power	II-260 254
Southern Company Gas	II-261 255

(b) Attestation Report of the Registered Public Accounting Firm.

The report of Deloitte & Touche LLP, Southern Company's independent registered public accounting firm, regarding Southern Company's Internal Control over Financial Reporting is included in Item 8 herein of this Form 10-K. This report is not applicable to Alabama Power, Georgia Power, Mississippi Power, Southern Power, and Southern Company Gas as these companies are not accelerated filers or large accelerated filers.

(c) Changes in internal control over financial reporting.

There have been no changes in Southern Company's, Alabama Power's, Georgia Power's, Mississippi Power's, Southern Power's, or Southern Company Gas' internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the fourth quarter 2023 2024 that have materially affected or are reasonably likely to materially affect Southern Company's, Alabama Power's, Georgia Power's, Mississippi Power's, Southern Power's, or Southern Company Gas' internal control over financial reporting.

Item 9B. OTHER INFORMATION

There were no adoptions, modifications, or terminations The following table reports information regarding the adoption of "Rule 10b5-1 trading arrangements" or "non-Rule 10b5-1 trading arrangements," as defined in Item 408(a) of Regulation S-K, during the three months ended December 31, 2023 by the Registrants' December 31, 2024 for Southern Company's directors and "officers," as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended. There were no modifications or terminations of such trading arrangements during the three months ended December 31, 2024. Unless otherwise indicated, each trading arrangement listed below is a "Rule 10b5-1 trading arrangement," provides for the sale of shares of Southern Company's common stock, commences no earlier than the expiration of the cooling-off period required by Rule 10b5-1(c)(1)(ii)(B)(1) under the Securities Exchange Act of 1934, as amended, and terminates upon the earlier of the "Expiration Date" listed below or the completion of all sales. The Subsidiary Registrants had no reportable trading arrangements for the three months ended December 31, 2024.

Name	Title	Date of Adoption	Expiration Date	Aggregate Number of Shares Covered
Kimberly S. Greene	Chairman, President, and Chief Executive Officer, Georgia Power	November 4, 2024	March 3, 2026	45,348
Stanley W. Connally, Jr.	Executive Vice President and Chief Operating Officer	November 12, 2024	March 17, 2026	12,500

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Item 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
Southern Company and Subsidiary Companies

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The management of Southern Company is responsible for establishing and maintaining an adequate system of internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002 and as defined in Exchange Act Rule 13a-15(f). A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Under management's supervision, an evaluation of the design and effectiveness of Southern Company's internal control over financial reporting was conducted based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Southern Company's internal control over financial reporting was effective as of December 31, 2023 December 31, 2024.

Deloitte & Touche LLP, as auditors of Southern Company's financial statements, has issued an attestation report on the effectiveness of Southern Company's internal control over financial reporting as of December 31, 2023 December 31, 2024, which is included herein.

/s/ Christopher C. Womack
Christopher C. Womack
Chairman, President, and Chief Executive Officer

/s/ Daniel S. Tucker
Daniel S. Tucker
Executive Vice President, and Chief Financial Officer, and Treasurer

February 14, 2024 19, 2025

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
Alabama Power Company

The management of Alabama Power is responsible for establishing and maintaining an adequate system of internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002 and as defined in Exchange Act Rule 13a-15(f). A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Under management's supervision, an evaluation of the design and effectiveness of Alabama Power's internal control over financial reporting was conducted based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Alabama Power's internal control over financial reporting was effective as of December 31, 2023 December 31, 2024.

/s/ J. Jeffrey Peoples
J. Jeffrey Peoples
Chairman, President, and Chief Executive Officer

/s/ Moses H. Feagin
Moses H. Feagin
Executive Vice President, Chief Financial Officer, and Treasurer

February 14, 2024 19, 2025

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
Georgia Power Company

The management of Georgia Power is responsible for establishing and maintaining an adequate system of internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002 and as defined in Exchange Act Rule 13a-15(f). A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

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Under management's supervision, an evaluation of the design and effectiveness of Georgia Power's internal control over financial reporting was conducted based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Georgia Power's internal control over financial reporting was effective as of December 31, 2023 December 31, 2024.

/s/ Kimberly S. Greene
Kimberly S. Greene
Chairman, President, and Chief Executive Officer

/s/ Aaron P. Abramovitz
Aaron P. Abramovitz
Executive Vice President, Chief Financial Officer, and Treasurer

February 14, 2024 19, 2025

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
Mississippi Power Company

The management of Mississippi Power is responsible for establishing and maintaining an adequate system of internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002 and as defined in Exchange Act Rule 13a-15(f). A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Under management's supervision, an evaluation of the design and effectiveness of Mississippi Power's internal control over financial reporting was conducted based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Mississippi Power's internal control over financial reporting was effective as of December 31, 2023 December 31, 2024.

/s/ Anthony L. Wilson
Anthony L. Wilson
Chairman, President, and Chief Executive Officer

/s/ Matthew P. Grice
Matthew P. Grice
Vice President, Chief Financial Officer, and Treasurer

February 14, 2024 19, 2025

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
Southern Power Company and Subsidiary Companies

The management of Southern Power is responsible for establishing and maintaining an adequate system of internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002 and as defined in Exchange Act Rule 13a-15(f). A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Under management's supervision, an evaluation of the design and effectiveness of Southern Power's internal control over financial reporting was conducted based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Southern Power's internal control over financial reporting was effective as of December 31, 2023 December 31, 2024.

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/s/ Christopher Cummiskey
Christopher Cummiskey
Chairman and Chief Executive Officer

/s/ Gary Kerr
Gary Kerr
Senior Vice President, Chief Financial Officer, and Treasurer

February 14, 2024 19, 2025

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
Southern Company Gas and Subsidiary Companies

The management of Southern Company Gas is responsible for establishing and maintaining an adequate system of internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002 and as defined in Exchange Act Rule 13a-15(f). A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Under management's supervision, an evaluation of the design and effectiveness of Southern Company Gas' internal control over financial reporting was conducted based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Southern Company Gas' internal control over financial reporting was effective as of December 31, 2023 December 31, 2024.

/s/ James Y. Kerr II
James Y. Kerr II
Chairman, President, and Chief Executive Officer

/s/ Grace A. Kolvereid
Grace A. Kolvereid
Executive Vice President, Chief Financial Officer, and Treasurer

February 14, 2024 19, 2025

PART III

Items 10 (other than the information under "Code of Ethics" below), 11, 12, 13, and 14 for Southern Company are incorporated by reference to Southern Company's Definitive Proxy Statement relating to the 2024 2025 Annual Meeting of Stockholders. Specifically, reference is made to "Corporate Governance at Southern Company" and "Biographical Information about our Nominees for Director," as well as "Delinquent Section 16(a) Reports," if required, for Item 10, "Compensation Discussion and Analysis," "Executive Compensation Tables," and "Director Compensation" for Item 11, "Stock Ownership Information," "Executive Compensation Tables," and "Equity Compensation Plan Information" for Item 12, "Biographical Information about our Nominees for Director" and "Corporate Governance at Southern Company" for Item 13, and "Principal Independent Registered Public Accounting Firm Fees" for Item 14.

Items 10, 11, 12, and 13 for each of the Subsidiary Registrants are omitted pursuant to General Instruction I(2)(c) of Form 10-K. Item 14 for each of the Subsidiary Registrants is contained herein.

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Code of Ethics

The Registrants collectively have adopted a code of business conduct and ethics (Code of Ethics) that applies to each director, officer, and employee of the Registrants and their subsidiaries. The Code of Ethics can be found on Southern Company's website located at www.southerncompany.com. The Code of Ethics is also available free of charge in print to any shareholder by requesting a copy from Myra C. Bierria, Laura O. Hewett, Corporate Secretary, Southern Company, 30 Ivan Allen Jr. Boulevard NW, Atlanta, Georgia 30308. Any amendment to or waiver from the Code of Ethics that applies to executive officers and directors will be posted on the website.

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Insider Trading Policies and Procedures

Each of the Registrants has adopted a Prohibition of Securities Trading Policy governing, among other items, the purchase, sale, and/or other dispositions of such Registrant's securities by directors, officers, and employees. Each Prohibition of Securities Trading Policy is reasonably designed to promote compliance with insider trading laws, rules, and regulations, and any listing standards applicable to such Registrant. The Prohibition of Securities Trading Policies do not address transactions in the Registrants' securities by the Registrants themselves; however, pursuant to the Code of Ethics, which, among other items, requires each Registrant to comply with all laws and regulations, it is the policy of each Registrant to comply with applicable securities laws and regulations with respect to any such transactions. Copies of the Prohibition of Securities Trading Policy for each Registrant are filed as Exhibits 19(a)-(f) to this Annual Report on Form 10-K.

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Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following represents fees billed to the Subsidiary Registrants in 2023 2024 and 2022 2023 by Deloitte & Touche LLP, each company's principal public accountant:

	2023	2022
	2024	**2023**
	(in thousands)	*(in thousands)*
Alabama Power		
Audit Fees (1)		
Audit Fees (1)		
Audit Fees (1)		
Audit-Related Fees (2)		
Audit Fees (a)		
Audit Fees (a)		
Audit Fees (a)		
Audit-Related Fees (b)		
Tax Fees		
All Other Fees (3)		
All Other Fees (c)		
Total		
Georgia Power		
Audit Fees (1)		
Audit Fees (1)		
Audit Fees (1)		
Audit-Related Fees (4)		
Audit Fees (a)		
Audit Fees (a)		
Audit Fees (a)		
Audit-Related Fees (b)		
Tax Fees		
All Other Fees (3)		
All Other Fees (c)		
Total		
Mississippi Power		
Audit Fees (1)		
Audit Fees (1)		
Audit Fees (1)		
Audit-Related Fees (5)		
Audit Fees (a)		
Audit Fees (a)		
Audit Fees (a)		

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Audit-Related Fees (b)	
Tax Fees	
All Other Fees (3)	
All Other Fees (c)	
Total	
Southern Power	
Audit Fees (1)	
Audit Fees (1)	
Audit Fees (1)	
Audit Fees (a)	
Audit Fees (a)	
Audit Fees (a)	
Audit-Related Fees(6) (d)	
Tax Fees	
All Other Fees (3)	
All Other Fees (c)	
Total	
Southern Company Gas	
Audit Fees (7) (e)	
Audit Fees (7) (e)	
Audit Fees (7) (e)	
Audit-Related Fees (8)	
Audit-Related Fees (b)	
Tax Fees	
All Other Fees (3)	
All Other Fees (c)	
Total	

(1) (a) Includes services performed in connection with financing transactions.

(2) (b) Represents fees for statutory and non-statutory audit services and audit services associated with reviewing internal controls for a system implementation in 2022 and other attest services related to GHG emissions in 2023 and 2022 and sustainability bond expenditures in 2023. services.

(3) (c) Represents registration fees for attendance at Deloitte & Touche LLP-sponsored education seminars and other non-audit advisory services.

(4) Represents fees for non-statutory audit services and audit services associated with reviewing internal controls for a system implementation in 2022 and attest services related to GHG emissions and sustainability bond expenditures in 2023 and 2022.

(5) Represents fees for non-statutory audit services and audit services associated with reviewing internal controls for a system implementation in 2022 and attest services related to sustainability bond expenditures in 2022 and GHG emissions in 2023 and 2022.

(6) (d) Represents fees in connection with audits of Southern Power partnerships, other statutory and non-statutory audit services, and other attest services related to GHG emissions in 2023 and 2022, and agreed upon procedures in 2023. services.

(7) (e) Includes fees in connection with statutory audits of several Southern Company Gas subsidiaries.

(8) Represents fees for non-statutory audit services and audit services associated with reviewing internal controls for a system implementation in 2022, attest services related to GHG emissions and sustainability bond expenditures in 2023 and 2022, and audit services associated with a forecast review in 2023.

The Southern Company Audit Committee (on behalf of Southern Company and its subsidiaries) has a Policy of Engagement of the Independent Auditor for Audit and Non-Audit Services that includes pre-approval requirements for the audit and non-audit services provided by Deloitte & Touche LLP. All of the services provided by Deloitte & Touche LLP in fiscal years 2023 2024 and 2022 2023 and related fees were approved in advance by the Southern Company Audit Committee.

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PART IV

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as a part of this report on Form 10-K:

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(1) Financial Statements and Financial Statement Schedules:

Management's Reports on Internal Control Over Financial Reporting for Southern Company and Subsidiary Companies, Alabama Power, Georgia Power, Mississippi Power, Southern Power and Subsidiary Companies, and Southern Company Gas and Subsidiary Companies are listed under Item 9A herein.

Reports of Independent Registered Public Accounting Firm (Deloitte & Touche LLP, PCAOB ID: 34) on the financial statements and financial statement schedules for Southern Company and Subsidiary Companies, Alabama Power Company, Georgia Power Company, Mississippi Power Company, Southern Power Company and Subsidiary Companies, and Southern Company Gas and Subsidiary Companies are listed under Item 8 herein. Also included in Item 8 herein is the Report of Independent Registered Public Accounting Firm (BDO USA, P.C.; Houston, Texas; PCAOB ID: 243) on the financial statements of Southern Natural Gas Company, L.L.C., Southern Company Gas' investment which is accounted for by the use of the equity method.

The financial statements filed as a part of this report for Southern Company and Subsidiary Companies, Alabama Power, Georgia Power, Mississippi Power, Southern Power and Subsidiary Companies, and Southern Company Gas and Subsidiary Companies are listed under Item 8 herein.

The financial statement schedules (Schedule II, Valuation and Qualifying Accounts and Reserves) for Southern Company and Subsidiary Companies, Alabama Power, Georgia Power, Mississippi Power, Southern Power and Subsidiary Companies, and Southern Company Gas and Subsidiary Companies are included on pages IV-2 and IV-3. Columns in Schedule II may be omitted if the information is not applicable or not required. All other schedules are omitted as not applicable or not required.

(2) Exhibits:

Exhibits for the Registrants are listed in the Exhibit Index at page E-1.

Item 16. FORM 10-K SUMMARY

None.

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SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023, 2022, AND 2021 2022

Description	Balance at Beginning of Period	Additions: Charged to Income	Additions: Charged to Other Accounts	Deductions[a]	Balance at End of Period
			(in millions)		
Provision for uncollectible accounts:					
Southern Company[b]					
Southern Company[b]					
Southern Company[b]					
2023					
2023					
2024					
2024					
2024					
2023					
2022					
2021					
Alabama Power					
Alabama Power					
Alabama Power					
2023					

Description	Balance at Beginning of Period	Additions: Charged to Income	Additions: Charged to Other Accounts	Deductions[*]	Balance at End of Period

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2023	
2024	
2024	
2024	
2023	
2022	
2021	
Georgia Power[b]	
Georgia Power[b]	
Georgia Power[b]	
2023	
2023	
2024	
2024	
2024	
2023	
2022	
2021	
Mississippi Power	
Mississippi Power	
Mississippi Power	
2023	
2023	
2024	
2024	
2024	
2023	
2022	
2021	
Southern Power	
Southern Power	
Southern Power	
2023	
2023	
2024	
2024	
2024	
2023	
2022	
2021	
Southern Company Gas	
Southern Company Gas	
Southern Company Gas	
2023	
2023	
2024	
2024	
2024	
2023	

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2022

2021

(a) (*) Deductions represent write-offs of accounts considered to be uncollectible, less recoveries of amounts previously written off.

(b) During 2020, Georgia Power recorded $23 million of expected bad debt related to the COVID-19 pandemic to a regulatory asset in accordance with orders from the Georgia PSC. During 2021, based on a review of bad debt amounts under a Georgia PSC-approved methodology, Georgia Power reversed substantially all of the amount recorded in 2020.

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023, 2022, AND 2021 2022

Description	Balance at Beginning of Period	Additions: Charged to Income	Additions: Charged to Other Accounts	Deductions	Balance at End of Period
			(in millions)		
Tax valuation allowance (net state):					
Southern Company(b) (c)					
Southern Company(b) (c)					
Southern Company(b) (c)					
2023					
2023					
2024					
2024					
2024					
2023					
2022					
2021					
Georgia Power(a) (b)					
Georgia Power(a) (b)					
Georgia Power(a) (b)					
2023					
2023					
2024					
2024					
2024					
2023					
2022					
2021					
Mississippi Power(b) (c)					
Mississippi Power(b) (c)					

Description	Balance at Beginning of Period	Additions: Charged to Income	Additions: Charged to Other Accounts	Deductions	Balance at End of Period
			(in millions)		
Tax valuation allowance (net state):					
Southern Company(b) (c)					
Southern Company(b) (c)					
Southern Company(b) (c)					
2023					
2023					
2024					
2024					
2024					
2023					
2022					
2021					
Georgia Power(a) (b)					
Georgia Power(a) (b)					
Georgia Power(a) (b)					
2023					
2023					
2024					
2024					
2024					
2023					
2022					
2021					
Mississippi Power(b) (c)					
Mississippi Power(b) (c)					

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Mississippi Power[b] [c]	
2023	
2023	
2024	
2024	
2024	
2023	
2022	
2021	
Southern Power[b] [c]	
Southern Power[b] [c]	
Southern Power[b] [c]	
2023	
2023	
2024	
2024	
2024	
2023	
2022	
2021	
Southern Company Gas[b] [c]	
Southern Company Gas[b] [c]	
Southern Company Gas[b] [c]	
2023	
2023	
2024	
2024	
2024	
2023	
2022	
2021	

(a) In 2024, Southern Company established a valuation allowance for certain Georgia state tax credits expected to expire prior to being fully utilized.

(b) In 2018, Georgia Power established a valuation allowance for certain Georgia state tax credits expected to expire prior to being fully utilized, which has been adjusted in subsequent years as a result of changes in projected state taxable income.

(b) (c) Associated with a state net operating loss carryforward expected to expire prior to being fully utilized.

See Note 10 to the financial statements in Item 8 herein for additional information.

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EXHIBIT INDEX

The exhibits below with an asterisk (*) preceding the exhibit number are filed herewith. The remaining exhibits have previously been filed with the SEC and are incorporated herein by reference. The exhibits marked with a pound sign (#) are management contracts or compensatory plans or arrangements required to be identified as such by Item 15 of Form 10-K.

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(3) Articles of Incorporation and By-Laws

Southern Company

(a)	1	—	Restated Certificate of Incorporation of Southern Company, dated February 12, 2019. (Designated in Form 10-K for the year ended December 31, 2018, File No. 1-3526, as Exhibit 3(a)1.)
(a)	2	—	Amended and Restated By-laws of Southern Company effective December 12, 2022, and as presently in effect. (Designated in Form 8-K dated December 12, 2022, File No. 1-3526, as Exhibit 3.1.)

Alabama Power

(b)	1	—	Charter of Alabama Power and amendments thereto through September 7, 2017. (Designated in Registration Nos. 2-59634 as Exhibit 2(b), 2-60209 as Exhibit 2(c), 2-60484 as Exhibit 2(b), 2-70838 as Exhibit 4(a)-2, 2-85987 as Exhibit 4(a)-2, 33-25539 as Exhibit 4(a)-2, 33-43917 as Exhibit 4(a)-2, in Form 8-K dated February 5, 1992, File No. 1-3164, as Exhibit 4(b)-3, in Form 8-K dated July 8, 1992, File No. 1-3164, as Exhibit 4(b)-3, in Form 8-K dated October 27, 1993, File No. 1-3164, as Exhibits 4(a) and 4(b), in Form 8-K dated November 16, 1993, File No. 1-3164, as Exhibit 4(a), in Certificate of Notification, File No. 70-8191, as Exhibit A, in Form 10-K for the year ended December 31, 1997, File No. 1-3164, as Exhibit 3(b)2, in Form 8-K dated August 10, 1998, File No. 1-3164, as Exhibit 4.4, in Form 10-K for the year ended December 31, 2000, File No. 1-3164, as Exhibit 3(b)2, in Form 10-K for the year ended December 31, 2001, File No. 1-3164, as Exhibit 3(b)2, in Form 8-K dated February 5, 2003, File No. 1-3164, as Exhibit 4.4, in Form 10-Q for the quarter ended March 31, 2003, File No 1-3164, as Exhibit 3(b)1, in Form 8-K dated February 5, 2004, File No. 1-3164, as Exhibit 4.4, in Form 10-Q for the quarter ended March 31, 2006, File No. 1-3164, as Exhibit 3(b)(1), in Form 8-K dated December 5, 2006, File No. 1-3164, as Exhibit 4.2, in Form 8-K dated September 12, 2007, File No. 1-3164, as Exhibit 4.5, in Form 8-K dated October 17, 2007, File No. 1-3164, as Exhibit 4.5, in Form 10-Q for the quarter ended March 31, 2008, File No. 1-3164, as Exhibit 3(b)1, and in Form 8-K dated September 5, 2017, File No. 1-3164, as Exhibit 4.1.)
(b)	2	—	Amended and Restated By-laws of Alabama Power effective October 16, 2023, and as presently in effect. (Designated in Form 10-Q 10-Q for the quarter ended September 30, 2023, File No 1-3164, as Exhibit 3(b)3(b)1.)

Georgia Power

(c)	1	—	Charter of Georgia Power and amendments thereto through October 9, 2007. (Designated in Registration Nos. 2-63392 as Exhibit 2(a)-2, 2-78913 as Exhibits 4(a)-(2) and 4(a)-(3), 2-93039 as Exhibit 4(a)-(2), 2-96810 as Exhibit 4(a)-2, 33-141 as Exhibit 4(a)-(2), 33-1359 as Exhibit 4(a)(2), 33-5405 as Exhibit 4(b)(2), 33-14367 as Exhibits 4(b)-(2) and 4(b)-(3), 33-22504 as Exhibits 4(b)-(2), 4(b)-(3) and 4(b)-(4), in Form 10-K for the year ended December 31, 1991, File No. 1-6468, as Exhibits 4(a)(2) and 4(a)(3), in Registration No. 33-48895 as Exhibits 4(b)-(2) and 4(b)-(3), in Form 8-K dated December 10, 1992, File No. 1-6468 as Exhibit 4(b), in Form 8-K dated June 17, 1993, File No. 1-6468, as Exhibit 4(b), in Form 8-K dated October 20, 1993, File No. 1-6468, as Exhibit 4(b), in Form 10-K for the year ended December 31, 1997, File No. 1-6468, as Exhibit 3(c)2, in Form 10-K for the year ended December 31, 2000, File No. 1-6468, as Exhibit 3(c)2, in Form 8-K dated June 27, 2006, File No. 1-6468, as Exhibit 3.1, and in Form 8-K dated October 3, 2007, File No. 1-6468, as Exhibit 4.5.)
(c)	2	—	By-laws of Georgia Power as amended effective November 9, 2016, and as presently in effect. (Designated (Designated in Form 8-K dated November 9, 2016, File No. 1-6468, as Exhibit 3.1.)

Mississippi Power

(d)	1	—	Amended and Restated Articles of Incorporation of Mississippi Power dated July 22, 2020. (Designated in Form 10-Q for the quarter ended June 30, 2020, File No. 001-11229, as Exhibit 3(d)1.)
(d)	2	—	By-laws of Mississippi Power as amended effective July 22, 2020, and as presently in effect. (Designated in Form 10-Q for the quarter ended June 30, 2020, File No. 001-11229, as Exhibit 3(d)2.)

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Southern Power

(e)	1	—	Certificate of Incorporation of Southern Power Company dated January 8, 2001. (Designated in Registration No. 333-98553 as Exhibit 3.1.)
(e)	2	—	By-laws of Southern Power Company effective January 8, 2001. (Designated in Registration No. 333-98553 as Exhibit 3.2.)

Southern Company Gas

(f)	1	—	Amended and Restated Articles of Incorporation of Southern Company Gas dated July 11, 2016. (Designated in Form 8-K dated July 8, 2016, File No. 1-14174, as Exhibit 3.1.)
(f)	2	—	Amended and Restated By-laws of Southern Company Gas effective October 23, 2018. (Designated in Form 10-Q for the quarter ended June 30, 2019, File No. 1-14174, as Exhibit 3(e).)

(4) Instruments Describing Rights of Security Holders, Including Indentures

With respect to each of Southern Company, Alabama Power, Georgia Power, Mississippi Power, Southern Power Company, and Southern Company Gas, such Registrant has excluded certain instruments with respect to long-term debt that does not exceed 10% of the total assets of such Registrant and its subsidiaries. Each such Registrant agrees, upon request of the SEC, to furnish copies of any or all such instruments to the SEC.

Southern Company

(a)	1	—	Senior Note Indenture dated as of January 1, 2007, between Southern Company and Computershare Trust Company, N.A., as successor Trustee, and certain indentures supplemental thereto through September 8, 2023 September 9, 2024. (Designated in Form 8-K dated January 11, 2007, File No. 1-3526, as Exhibit 4.1, in Form 8-K dated May 19, 2016, File No. 1-3526, as Exhibit 4.2(e), in Form 8-K dated May 19, 2016, File No. 1-3526, as Exhibit 4.2(f), in Form 8-K dated May 19, 2016, File No. 1-3526, as Exhibit 4.2(g), in Form 8-K dated April 1, 2020, File No. 1-3526, as Exhibit 4.2, in Form 8-K dated February 23, 2021, File No. 1-3526, as Exhibit 4.4(a), in Form 8-K dated February 23, 2021, File No. 1-3526, as Exhibit 4.4(b), in Form 8-K dated October 3, 2022, File No. 1-3526, as Exhibit 4.4(a), in Form 8-K dated October 3, 2022, File No. 1-3526, as Exhibit 4.4(b), in Form 8-K dated February 28, 2023, File No. 1-3526, as Exhibit 4.2, in Form 8-K dated May 15, 2023, File No. 1-3526, as Exhibit 4.4(a), in Form 8-K dated May 15, 2023, File No. 1-3526, as Exhibit 4.4(b), in Form 8-K dated September 5, 2023, File No. 1-3526, as Exhibit 4.4(a), and in Form 8-K dated September 5, 2023, File No. 1-3526, as Exhibit 4.4(b), in Form 8-K dated May 9, 2024, File No. 1-3526, as Exhibit 4.2, and in Form 8-K dated September 4, 2024, File No. 1-3526, as Exhibit 4.2.)
(a)	2	—	Subordinated Note Indenture dated as of October 1, 2015, between The Southern Company and Computershare Trust Company, N.A., as successor Trustee, and certain indentures supplemental thereto through May 1, 2022 January 13, 2025. (Designated in Form 8-K dated October 1, 2015, File No. 1-3526, as Exhibit 4.3, in Form 10-Q for the quarter ended June 30, 2017, File No. 1-3526 as Exhibit 4(a)1, in Form 8-K dated November 17, 2017, File No. 1-3526, as Exhibit 4.4, in Form 8-K dated August 13, 2019, File No. 1-3526, as Exhibit 4.4(a), in Form 8-K dated August 13, 2019, File No. 1-3526, as Exhibit 4.4(b), in Form 8-K dated January 6, 2020, File No. 1-3526 as Exhibit 4.4, in Form 8-K dated September 15, 2020, File No. 1-3526, as Exhibit 4.4(a), in Form 8-K dated September 15, 2020, File No. 1-3526, as Exhibit 4.4(b), in Form 8-K dated May 3, 2021, File No. 1-3526, as Exhibit 4.4, in Form 8-K dated September 13, 2021, File No. 1-3526, as Exhibit 4.4, in Form 8-K dated May 9, 2022, File No. 1-3526, as Exhibit 4.4(a) 4.4(b), and in Form 8-K dated May 9, 2022 January 8, 2025, File No. 1-3526, as Exhibit 4.4(b) 4.4.)
(a)	3	—	Description of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended. (Designated in Form 10-K for the year ended December 31, 2022, December 31, 2022, File No. 1-3526, as Exhibit 4(a)3.)

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Alabama Power

(b)	1	—	Senior Note Indenture dated as of December 1, 1997, between Alabama Power and Regions Bank, as Successor Trustee, and certain indentures supplemental thereto through November 9, 2023. (Designated in Form 8-K dated December 4, 1997, File No. 1-3164, as Exhibit 4.1, bit 4.2, in Form 8-K dated February 11, 2003, File No. 1-3164, as Exhibit 4.2(a), in Form 8-K dated March 12, 2003, File No. 1-3164, as Exhibit 4.2, in Form 8-K dated May 8, 2008, File No. 1-3164, as Exhibit 4.2, in Form 8-K dated February 26, 2009, File No. 1-3164 as Exhibit 4.2, in Form 8-K dated March 3, 2011, File No. 1-3164, as Exhibit 4.2, in Form 8-K dated May 18, 2011, File No. 1-3164, as Exhibit 4.2(b), in Form 8-K dated January 10, 2012, File No. 1-3164, as Exhibit 4.2, in Form 8-K dated November 27, 2012, File No. 1-3164, as Exhibit 4.2, in Form 8-K dated August 20, 2014, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated March 5, 2015, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated April 9, 2015, File No. 1-3164, as Exhibit 4.6(b), in Form 8-K dated January 8, 2016, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated November 2, 2017, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated June 21, 2018, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated September 12, 2019, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated August 24, 2020, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated June 7, 2021, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated November 15, 2021, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated March 2, 2022, File No. 1-3164, as Exhibit 4.6, in Form 8-K dated August 9, 2022, File No. 1-3164, as Exhibit 4.6(a), in Form 8-K dated August 9, 2022, File No. 1-3164, as Exhibit 4.6(b), in Form 8-K dated May 3, 2023, File No. 1-3164, , as Exhibit 4.6, and in Form 8-K dated November 6, 2023, November 6, 2023, File No. 1-3164, , as Exhibit 4.6.)

Georgia Power

(c)	1	—	Senior Note Indenture dated as of January 1, 1998, between Georgia Power and Computershare Trust Company, N.A., as Successor Trustee, and certain indentures supplemental thereto through November 8, 2023December 5, 2024. (Designated in Form 8-K dated January 21, 1998, File No. 1-6468, as Exhibits 4.1, in Form 8-K dated March 6, 2007, File No. 1-6468, as Exhibit 4.2, in Form 8-K dated February 4, 2009, File No. 1-6468, as Exhibit 4.2, in Form 8-K dated May 24, 2010, File No. 1-6468, as Exhibit 4.2, in Form 8-K dated August 26, 2010, File No. 1-6468, as Exhibit 4.2, in Form 8-K dated February 29, 2012, File No. 1-6468, as Exhibit 4.2, in Form 8-K dated March 12, 2013, File No. 1-6468, as Exhibit 4.2(a), in Form 8-K dated March 2, 2016, File No. 1-6468, as Exhibit 4.2(a), in Form 8-K dated February 28, 2017, File No. 1-6468, as Exhibit 4.2(b), in Form 8-K dated September 4, 2019, File No. 1-6468, as Exhibit 4.2(a), in Form 8-K dated September 4, 2019, File No. 1-6468, as Exhibit 4.2(b), in Form 8-K dated January 8, 2020, File No. 1-6468, as Exhibit 4.2(c), in Form 8-K dated February 22, 2021, File No. 1-6468, as Exhibit 4.2 in Form 8-K dated May 2, 2022, File No. 1-6468, as Exhibit 4.2(a), in Form 8-K dated May 2, 2022, File No. 1-6468, as Exhibit 4.2(b), in Form 8-K dated May 1, 2023, File No. 1-6468, as ExhibitExhibit 4.2(a), in Form 8-K dated May 1, 2023, May 1, 2023, File No. 1 1-6468, as Exhibit 4.2(b), in Form 8-K dated November 3, 2023, File No.1-6468, as Exhibit 4.2, in Form 8-K dated-6468 February 20, 2024, File No. 1-6468, as Exhibit 4.2(a), in Form 8-K dated February 20, 2024, File No. 1-6468, as Exhibit 4.2(b), in Form 8-K dated November 8, 2024, File No. 1-6468, as Exhibit 4.2, and in Form 8-K dated November 3, 2023dated December 2, 2024, File No.1-6468, No. 1-6468, as Exhibit 4.2.)
(c)	2	—	Subordinated Note Indenture, dated as of September 1, 2017, between Georgia Power and Computershare Trust Company, N.A., as Successor Trustee, and First Supplemental Indenture thereto dated as of September 21, 2017. (Designated in Form 8-K dated September 18, 2017, File No. 1-6468, as Exhibit 4.3, and in Form 8-K dated September 18, 2017, File No. 1-6468, as Exhibit 4.4.)
(c)	3	—	Amended and Restated Loan Guarantee Agreement, dated as of March 22, 2019, between Georgia Power and the DOE. (Designated in Form 8-K dated March 22, 2019, File No. 1-6468, as Exhibit 4.1.)
(c)	4	—	Note Purchase Agreement among Georgia Power, the DOE, and the Federal Financing Bank dated as of February 20, 2014. (Designated in Form 8-K dated February 20, 2014, File No. 1-6468, as Exhibit 4.2.)
(c)	5	—	Future Advance Promissory Note dated February 20, 2014 made by Georgia Power to the FFB. (Designated in Form 8-K dated February 20, 2014, File No. 1-6468, as Exhibit 4.3.)
(c)	6	—	Amended and Restated Deed to Secure Debt, Security Agreement and Fixture Filing, dated as of March 22, 2019, by Georgia Power to PNC Bank, National Association, doing business as Midland Loan Services Inc., a division of PNC Bank, National Association. (Designated in Form 8-K dated March 22, 2019, File No. 1-6468, as Exhibit 4.4.)

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(c)	7	—	Amended and Restated Owners Consent to Assignment and Direct Agreement and Amendment to Plant Alvin W. Vogtle Additional Units Ownership Participation Agreement, dated as of March 22, 2019, among Georgia Power, the other Vogtle Owners, the DOE, and PNC Bank, National Association, doing business as Midland Loan Services Inc., a division of PNC Bank, National Association. (Designated in Form 8-K dated March 22, 2019, File No. 1-6468, as Exhibit 4.5.)

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(c)	8	—	Note Purchase Agreement, dated as of March 22, 2019, between Georgia Power, the DOE, and the FFB. (Designated in Form 8-K dated March 22, 2019, File No. 1-6468, as Exhibit 4.2.)
(c)	9	—	Promissory Note of Georgia Power, dated as of March 22, 2019. (Designated in Form 8-K dated March 22, 2019, File No. 1-6468, as Exhibit 4.3.)
(c)	10	—	Description of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended. (Designated in Form 10-K for the year ended December 31, 2019, File No. 1-6468, as Exhibit 4(c)10.)
Mississippi Power			
(d)	1	—	Senior Note Indenture dated as of May 1, 1998, between Mississippi Power and Computershare Trust Company, N.A., as Successor Trustee, and certain indentures supplemental thereto through June 29, 2021. (Designated in Form 8-K dated May 14, 1998, File No. 001-11229, as Exhibit 4.1, in Form 8-K dated October 11, 2011, File No. 001-11229, as Exhibit 4.2(b), in Form 8-K dated March 5, 2012, File No. 001-11229, as Exhibit 4.2(b), in Form 8-K dated March 22, 2018, File No. 001-11229, as Exhibit 4.2(b), in Form 8-K dated June 24, 2021, File No. 001-11229, as Exhibit 4.2(a), and in Form 8-K dated June 24, 2021, File No. 001-11229, as Exhibit 4.2(b).)
(d)	2	—	Senior Note Indenture dated as of June 1, 2023, between Mississippi Power and Regions Bank, as Trustee, and certain indentures supplemental thereto through June 28, 2023June 27, 2024. (Designated in Form 10-Q for for the quarter ended June 30, 2023, File No. 001-11229, as Exhibit 4(d)1, in Form 10-Q for the quarter ended June 30, 2023, File No. 001-11229, as Exhibit 4(d)2, and in Form 10-Q for the quarter ended June 30, 2023, fileFile No. 001-11229, as Exhibit 4(d)3, in Form 10-Q for the quarter ended March 31, 2024, File No. 001-11229, as Exhibit 4(d)1, inForm 10-Q for the quarter ended March 31, 2024, File No. 001-11229, as Exhibit 4(d)2,and in Form 10-Q for the quarter ended June 30, 2024, File No. 001-11229, as Exhibit 4(d)1.)
Southern Power			
(e)	1	—	Senior Note Indenture dated as of June 1, 2002, between Southern Power Company and Computershare Trust Company, N.A., as Successor Trustee, and certain indentures supplemental thereto through January 8, 2021. (Designated in Registration No. 333-98553 as Exhibit 4.1, in Form 8-K dated September 14, 2011, File No. 333-98553, as Exhibit 4.4, in Form 8-K dated July 10, 2013, File No. 333-98553, as Exhibit 4.4, in Form 8-K dated November 12, 2015, File No. 333-98553, as Exhibit 4.4(a), in Form 8-K dated June 13, 2016, File No. 001-37803, as Exhibit 4.4(b), in Form 10-Q for the quarter ended September 30, 2016, File No. 001-37803, as Exhibit 4(f)1, in Form 8-K dated November 10, 2016, File No. 001-37803, as Exhibit 4.4(c), and in Form 8-K dated January 5, 2021, File No. 001-37803, as Exhibit 4.4.)
(e)	2	—	Description of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended. (Designated in Form 10-K for the year ended December 31, 2022, December 31, 2022, File No. 001-37803, as Exhibit 4(e) 4(e)2.)
Southern Company Gas			
(f)	1	—	Indenture dated February 20, 2001 between AGL Capital Corporation, AGL Resources Inc., and Computershare Trust Company, N.A., as Successor Trustee and First Supplemental Indenture thereto dated as of September 9, 2021. (Designated in Form S-3, File No. 333-69500, as Exhibit 4.2, and in Form 8-K dated September 7, 2021, File No. 1-14174, as Exhibit 4.2.)

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(f)	2	—	Southern Company Gas Capital Corporation's 6.00% Senior Notes due 2034, 5.875% Senior Notes due 2041, 4.40% Senior Notes due 2043, 3.875% Senior Notes due 2025, 3.250% Senior Notes due 2026, Form of 3.950% Senior Note due October 1, 2046, Form of Series 2017A 4.400% Senior Note due May 30, 2047, Form of 2020A 1.750% Senior Note due January 15, 2031, Form of Series 2021A 3.15% Senior Note due September 30, 2051, Form of Series 2022A 5.15% Senior Note due September 30, 2032, and Form of Series 2023A 5.75% Senior Note due September 15, 2033, and Form of Series 2024A 4.95% Senior Note due September 15, 2034. (Designated in Form 8-K dated September 22, 2004, File No. 1-14174, as Exhibit 4.1, in Form 8-K dated March 16, 2011, File No. 1-14174, as Exhibit 4.1, in Form 8-K dated May 13, 2013, File No. 1-14174, as Exhibit 4.2, in Form 8-K dated November 13, 2015, File No. 1-14174, as Exhibit 4.2, in Form 8-K dated May 13, 2016, File No. 1-14174, as Exhibit 4.2, in Form 8-K dated September 8, 2016, File No. 1-14174, as Exhibit 4.1(b), in Form 8-K dated May 5, 2017, File No. 1-14174, as Exhibit 4.1, in Form 8-K dated August 17, 2020, File No. 1-14174, as Exhibit 4.1, in Form 8-K dated September 9, 2021, File No. 1-14174, as Exhibit 4.1, in Form 8-K dated September 6, 2022, File No. 1-14174, as Exhibit 4.1, and in Form 8-K dated September 11, 2023, File No. 1-14174, as Exhibit 4.1, and in Form 8-K dated September 3, 2024, File No. 1-14174, as Exhibit 4.1,respectively.)

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	(f)	3	—	Southern Company Gas' Guarantee related to the 6.00% Senior Notes due 2034, Guarantee related to the 5.875% Senior Notes due 2041, Guarantee related to the 4.40% Senior Notes due 2043, Guarantee related to the 3.875% Senior Notes due 2025, Guarantee related to the 3.250% Senior Notes due 2026, Form of Guarantee related to the 3.950% Senior Notes due October 1, 2046, Form of Guarantee related to the Series 2017A 4.400% Senior Notes due May 30, 2047, Form of Guarantee related to the Series 2020A 1.750% Senior Notes due January 15, 2031, Form of Guarantee related to the Series 2021A 3.15% Senior Note due September 30, 2051, Form of Guarantee related to the Series 2022A 5.15% Senior Notes due September 30, 2032, and Form of Guarantee related to the Series 2023A 5.75% Senior Notes Due September 15, 2033, and Form of Guarantee related to the Series 2024A 4.95% Senior Notes due September 15, 2034. (Designated in Form 8-K dated September 22, 2004, File No. 1-14174, as Exhibit 4.3, in Form 8-K dated March 16, 2011, File No. 1-14174, as Exhibit 4.1, in Form 8-K dated May 13, 2013, File No. 1-14174, as Exhibit 4.3, in Form 8-K dated November 13, 2015, File No. 1-14174, as Exhibit 4.3, in Form 8-K dated May 13, 2016, File No. 1-14174, as Exhibit 4.3, in in Form 8-K dated September 8, 2016, File No. 1-14174, as Exhibit 4.3(b), in Form 8-K dated May 5, 2017, File No. 1-14174, as Exhibit 4.3, in Form 8-K dated August 17, 2020, File No. 1-14174, as Exhibit 4.3, in Form 8-K dated September 9, 2021, File No. 1-14174, as Exhibit 4.3, in Form 8-K dated September 6, 2022, File No. 1-14174, as Exhibit 4.3, and in Form 8-K dated September 11September 11, 2023, 2023, File No. 1-14174,, as Exhibit 4.3, and in Form 8-K dated September 3, 2024, File No. 1-14174, as Exhibit 4.3, respectively.)
	(f)	4	—	Indenture dated December 1, 1989 of Atlanta Gas Light Company and First Supplemental Indenture thereto dated March 16, 1992. (Designated in Form S-3, File No. 33-32274, as Exhibit 4(a) and in Form S-3, File No. 33-46419, as Exhibit 4(a).)
	(f)	5	—	Indenture of Commonwealth Edison Company to Continental Illinois National Bank and Trust Company of Chicago, Trustee, dated as of January 1, 1954, Indenture of Adoption of Northern Illinois Gas Company to Continental Illinois National Bank and Trust Company of Chicago, Trustee, dated February 9, 1954, and certain indentures supplemental thereto. (Designated in Form 10-K for the year ended December 31, 1995, File No. 1-7296, as Exhibit 4.01, in Form 10-K for the year ended December 31, 1995, File No. 1-7296, as Exhibit 4.02, in Registration No. 2-56578 as Exhibits 2.21 and 2.25, in Form 10-Q for the quarter ended June 30, 1996, File No. 1-7296, as Exhibit 4.01, in Form 10-K for the year ended December 31, 1997, File No. 1-7296, as Exhibit 4.19, in Form 10-K for the year ended December 31, 2003, File No. 1-7296, as Exhibit 4.09, in Form 10-K for the year ended December 31, 2003, File No. 1-7296, as Exhibit 4.10, in Form 10-K for the year ended December 31, 2006, File No. 1-7296, as Exhibit 4.11, in Form 10-Q for the quarter ended September 30, 2008, File No. 1-7296, as Exhibit 4.01, in Form 10-Q for the quarter ended September 30, 2012, File No. 1-7296, as Exhibit 4, in Form 10-K for the year ended December 31, 2016, File No. 1-14174, as Exhibit 4(g)6, in Form 10-K for the year ended December 31, 2017, File No. 1-14174, as Exhibit 4(g)6, in Form 10-Q for the quarter ended September 30, 2018, File No. 1-14174, as Exhibit 4(g)1, in Form 10-K for the year ended December 31, 2019, File No. 1-14174, as Exhibit 4(f)6, in Form 10-K for the year ended December 31, 2020, File No. 1-14174, as Exhibit 4(f)6, in Form 10-Q for the quarter ended September 30, 2021, File No. 1-4174, as Exhibit 4(f)4, and in Form Form 10-Q for the quarter ended September 30, 2023, File No. 1-4174, as Exhibit 4(f)3, and in Form 10-Q f4(f) or the quarter ended September 30, 2024, File No. 1-4174, as Exhibit 4(f)3.)

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(10) Material Contracts

Southern Company

#	(a)	1	—	Southern Company 2011 Omnibus Incentive Compensation Plan effective May 25, 2011. (Designated in Form 8-K dated May 25, 2011, File No. 1-3526, as Exhibit 10.1.)
#	(a)	2	—	Form of Stock Option Award Agreement for Executive Officers of Southern Company under the Southern Company Omnibus Incentive Compensation Plan. (Designated in Form 10-Q for the quarter ended March 31, 2011, File No. 1-3526, as Exhibit 10(a)3.)
#	(a)	3	—	Deferred Compensation Plan for Outside Directors of The Southern Company, Amended and Restated effective June 1, 2021 and First Amendment thereto effective as of June 1, 2021. (Designated in Form 10-Q for the quarter ended June 30, 2021, File No. 1-3526, as Exhibit 10(a)2, and in Form 10-K for the year ended December 31, 2021, File No. 1-3526, as Exhibit 10(a)25.)

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#	(a)	42	—	Southern Company

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Deferred Compensation Plan, Amended and Restated as of January 1, 2018, First Amendment thereto dated as of December 7, 2018, Second Amendment thereto dated as of January 29, 2019, Third Amendment thereto effective January 1, 2018 and Fourth Amendment thereto dated as of December 1, 2021. (Designated in January 1, Form 10-K for the year ended December 31, 2017, File No. 1-3526, as Exhibit 10(a)4 2025., in Form 10-K for the year ended December 31, 2018, File No. 1-3526, as Exhibit 10(a)21, in Form 10-K for the year ended December 31, 2018, File No. 1-3526, as Exhibit 10(a)22, in Form 10-K for the year ended December 31, 2020, File No.1-3526, as Exhibit 10(a)24, and

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				in Form 10-Q for the quarter ended March 31, 2022, File No. 1-3536, as Exhibit 10(a)4.)
#	(a)	53	—	The Southern Company Supplemental Executive Retirement Plan, Amended and Restated effective June 30, 2016, Amendment No. 1 thereto effective January 1, 2017, Amendment No. 2 thereto effective January 1, 2018, Amendment No. 3 thereto effective April 1, 2018, Amendment No. 4 thereto effective December 4, 2018, Amendment No. 5 thereto effective January 1, 2019 and Amendment No. 6 thereto effective January 1, 2019. (Designated in Form 10-Q for the quarter ended June 30, 2016, File No. 1-3526, as Exhibit 10(a)1, in Form 10-K for the year ended December 31, 2016, File No. 1-3526, as Exhibit

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				10(a)18, in Form 10-K for the year ended December 31, 2017, File No. 1-3526, as Exhibit 10(a)16, in Form 10-Q for the quarter ended March 31, 2018, File No. 1-3526, as Exhibit 10(a)1, in Form 10-K for the year ended December 31, 2018, File No. 1-3526, as Exhibit 10(a)23, in Form 10-K for the year ended December 31, 2018, File No. 1-3526, as Exhibit 10(a)24, and in Form 10-K for the year ended December 31, 2019, File No. 1-3526, as Exhibit 10(a)24.)
#	(a)	64	—	The Southern Company Supplemental Benefit Plan, Amended and Restated effective as of June 30, 2016, Amendment No. 1 thereto effective January 1, 2017, Amendment No. 2 thereto effective January 1, 2018, Amendment No. 3 thereto effective April

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1, 2018, Amendment No. 4 thereto dated December 14, 2018, Amendment No. 5 thereto effective January 1, 2019, Amendment No. 6 thereto effective January 1, 2019, Amendment No. 7 thereto effective June 30, 2016, and Amendment No. 8 thereto effective July 1, 2021. (Designated in Form 10-Q for the quarter ended June 30, 2016, File No. 1-3526, as Exhibit 10(a)2, in Form 10-K for the year ended December 31, 2016, File No. 1-3526, as Exhibit 10(a)19, in Form 10-K for the year ended December 31, 2017, File No. 1-3526, as Exhibit 10(a)17, in Form 10-Q for the quarter ended March 31, 2018, File No. 1-3526, as Exhibit 10(a)2, in Form 10-K for the year ended December 31, 2018, File No. 1-3526, as Exhibit

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				Exhibit 10(a)25, in Form 10-K for the year ended December 31, 2018, File No. 1-3526, as Exhibit 10(a)26 in Form 10-K for the year ended December 31, 2019, File No. 1-3526, as Exhibit 10(a)23, in Form 10-K for the year ended December 31, 2020, File No. 1-3526, as Exhibit 10(a)25, and in Form 10-Q for the quarter ended March 31, 2022, File No. 1-3526, as Exhibit 10(a)5.)
#	(a)	75	—	Amended and Restated Southern Company Change in Control Benefits Protection Plan effective August 15, 2022. (Designated in Form 8-K dated August 15, 2022, File No. 1-3526, as Exhibit 10.1.)
#	(a)	86	—	Deferred Compensation Trust Agreement for Directors of Southern Company and its Subsidiaries, Amended and Restated

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				effective January 1, 2001, between Delaware Charter Guarantee & Trust Company, Southern Company, SCS, Alabama Power, Georgia Power, Mississippi Power, Southern Linc, Southern Company Energy Solutions, LLC, and Southern Nuclear and First Amendment thereto effective January 1, 2009. (Designated in Form 10-K for the year ended December 31, 2000, File No. 1-3526, as Exhibit 10(a)103 and in Form 10-K for the year ended December 31, 2008, File No. 1-3526, as Exhibit 10(a)16.)
#	(a)	97	—	Amended and Restated Deferred Stock Trust Agreement for Directors of Southern Company and its Subsidiaries, Amended and

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				Restated effective December 16, 2020, by and between Southern Company and Delaware Charter Guarantee & Trust Company. (Designated in Form 10-K for the year ended December 31, 2020, File No. 1-3526, as Exhibit 10(a)9.)
#	(a)	108	—	Amended and Restated Deferred Cash Compensation Trust Agreement for Directors of Southern Company and its Subsidiaries, Amended and Restated effective December 16, 2020, by and between Southern Company and Delaware Charter Guarantee & Trust Company. (Designated in Form 10-K for the year ended December 31, 2020, File No. 1-3526, as Exhibit 10(a)10.)
#	(a)	119	—	Southern Company Senior Executive Change in Control Severance

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				Plan, Amended and Restated effective August 15, 2022. (Designated in Form 8-K dated August 15, 2022, File No. 1-3526, as Exhibit 10.2.)
#	(a)	12 10	—	Southern Company Executive Change in Control Severance Plan, Amended and Restated effective August 15, 2022. (Designated in Form 10-Q for the quarter ended September 30, 2022, File No. 1-3526, as Exhibit 10(a)3.)

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	#	(a)	13 11	—	Form of Terms for Named Executive Officer Equity Awards Granted under the Southern Company 2021 Equity and Incentive Compensation Plan. (Designated in Form 10-Q for the quarter ended March 31, 2022, File No. 1-3526, as Exhibit 10(a)1).
	#	(a)	14	—	Deferred Compensation Agreement between Southern Company, SCS, Alabama Power, and Mark A. Crosswhite, effective July 30, 2008. (Designated in Form 10-K for the year ended December 31, 2016, File No. 1-3526, as Exhibit 10(a)17.)
	#	(a)	15	—	Consulting Agreement between SCS and Mark A. Crosswhite dated December 7, 2022. (Designated in Form 10-K for the year ended December 31, 2022, File No. 1-3526, as Exhibit 10(a)15.)
		(a)	16 12	—	The Southern Company Employee Savings Plan, Amended and Restated effective January 1, 2018, First Amendment thereto dated December 7, 2018, Second Amendment thereto dated January 29, 2019, Third Amendment thereto dated December 4, 2019, Fourth Amendment thereto dated November 27, 2020, Fifth Amendment thereto effective July 1, 2021, and Sixth Amendment thereto effective July 1, 2021, Seventh Amendment thereto dated December 23, 2022, and Eighth Amendment thereto dated December 13, 2023. (Designated in Post-Effective Amendment No. 1 to Form S-8, File No. 333-212783 as Exhibit 4.3, in Form 10-K for the year ended December 31, 2019, File No. 1-3526, as Exhibit 10(a)25, in Form 10-K for the year ended December 31, 2019, File No. 1-3526, as Exhibit 10(a)26, in Form 10-K for the year ended December 31, 2019, File No. 1-3526, as Exhibit 10(a)27, in Form 10-K for the year ended December 31, 2020, File No. 1-3526, as Exhibit 10(a)26, in Form 10-Q for the quarter ended March 31, 2022, File No. 1-3526, as Exhibit 10(a)2, in Form 10-Q for the quarter ended March 31, 2022, File No. 1-3526, as Exhibit 10(a)3, and in Form 10-K for the year ended December 31, 2022, File No. 1-3526, as Exhibit 10(a)17, and in Form 10-K for the year ended December 31, 2023, File No. 1-3526, as Exhibit 10(a)17.)
*	#	(a)	17 13	—	Eighth N Amendment inth amendment to the Southern Company Southern Company Employee Savings Savings Plan, dated December 13, 2023 December 16, 2024.
	#	(a)	18 14	—	Deferred Compensation Agreement between Southern Company, SCS, Georgia Power, and Christopher C. Womack, effective December 10, 2008. (Designated in Form 10-Q for the quarter ended September 30, 2022, File No. 1-3526, as Exhibit 10(a)4.)
*	#	(a)	19	—	Consulting Agreement between SCS and Thomas A. Fanning dated December 13, 2023.
	#	(a)	20 15	—	The Southern Company Equity and Incentive Compensation Plan, effective May 26, 2021. (Designated in Form 8-K dated May 26, 2021, File No. 1-3526, as Exhibit 10.1.)
	Alabama Power				
		(b)	1	—	Intercompany Interchange Contract as revised effective May 1, 2007, among Alabama Power, Georgia Power, Gulf Power, Mississippi Power, Southern Power Company, and SCS and Appendix A thereto dated as of January 1, 2019. (Designated in Form 10-Q for the quarter ended March 31, 2007, File No. 1-3164, as Exhibit 10(b)5 and in Form 10-K for the year ended December 31, 2018, File No. 1-3164, as Exhibit 10(b)2.)
	Georgia Power				
		(c)	1	—	Intercompany Interchange Contract as revised effective May 1, 2007, among Alabama Power, Georgia Power, Gulf Power, Mississippi Power, Southern Power Company, and SCS and Appendix A thereto dated as of January 1, 2019. See Exhibit 10(b)1 herein.
		(c)	2	—	Revised and Restated Integrated Transmission System Agreement dated as of November 12, 1990, between Georgia Power and OPC. (Designated in Form 10-K for the year ended December 31, 1990, File No. 1-6468, as Exhibit 10(g).)
		(c)	3	—	Revised and Restated Integrated Transmission System Agreement between Georgia Power and Dalton dated as of December 7, 1990. (Designated in Form 10-K for the year ended December 31, 1990, File No. 1-6468, as Exhibit 10(gg).)
		(c)	4	—	Revised and Restated Integrated Transmission System Agreement between Georgia Power and MEAG Power dated as of December 7, 1990. (Designated in Form 10-K for the year ended December 31, 1990, File No. 1-6468, as Exhibit 10(hh).)
		(c)	5	—	Settlement Agreement dated as of June 9, 2017, by and among Georgia Power, OPC, MEAG Power, Dalton, and Toshiba and Amendment No. 1 thereto dated as of December 8, 2017. (Designated in Form 8-K dated June 16, 2017, File No. 1-6468, as Exhibit 10.1 and in Form 8-K dated December 8, 2017, File No. 1-6468, as Exhibit 10.1.)
		(c)	6	—	Amended and Restated Services Agreement dated as of June 20, 2017, by and among Georgia Power, for itself and as agent for OPC, MEAG Power, MEAG Power SPVJ, LLC, MEAG Power SPVM, LLC, MEAG Power SPVP, LLC, and Dalton, and Westinghouse and WECTEC Global Project Services, Inc. (Pursuant to Item 601(b)(10) of Regulation S-K, certain identified information has been omitted from this exhibit because it is both not material and is the type that Georgia Power treats as private or confidential.) (Designated in Form 8-K dated February 1, 2024, File No. 1-6468, as Exhibit 10.1.)

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(c)	7	—	Construction Completion Agreement dated as of October 23, 2017, between Georgia Power, for itself and as agent for OPC, MEAG Power, MEAG Power SPVJ, LLC, MEAG Power SPVM, LLC, MEAG Power SPVP, LLC, and Dalton, and Bechtel, Amendment No. 1 thereto dated as of October 12, 2018, and Amendment No. 2 thereto dated as of November 8, 2019. (Georgia Power has requested confidential treatment for certain portions of these documents pursuant to applications for confidential treatment sent to the SEC. Georgia Power omitted such portions from the filings and filed them separately with the SEC.) (Designated in Form 10-K for the year ended December 31, 2017, File No. 1-6468, as Exhibit 10(c)8 and in Form 10-K for the year ended December 31, 2018, File No. 1-6468, as Exhibit 10(c)10, and in Form 10-K for the year ended December 31, 2019, File No. 1-6468, as Exhibit 10(c)8.)

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	(c)	86	—	Plant Alvin W. Vogtle Additional Units Ownership Participation Agreement dated as of April 21, 2006, among Georgia Power, OPC, MEAG Power, and The City of Dalton, Georgia, Amendment 1 thereto dated as of April 8, 2008, Amendment 2 thereto dated as of February 20, 2014, Agreement Regarding Additional Participating Party Rights and Amendment 3 thereto dated as of November 2, 2017, and First Amendment to Agreement Regarding Additional Participating Party Rights and Amendment No. 3 to Plant Alvin W. Vogtle Additional Units Ownership Participation Agreement, dated as of August 31, 2018. (Designated in Form 8-K dated April 21, 2006, File No. 33-7591, as Exhibit 10.4.4, in Form 10-K for the year ended December 31, 2013, File No. 000-53908, as Exhibit 10.3.2(a), in Form 10-K for the year ended December 31, 2013, File No. 000-53908, as Exhibit 10.3.2(b), in Form 10-Q for the quarter ended September 30, 2017, File No. 000-53908, as Exhibit 10.1, and in Form 8-K dated August 31, 2018, File No. 1-6468, as Exhibit 10.1.)
	(c)	97	—	Global Amendments to Vogtle Additional Units Agreements, dated as of February 18, 2019, among Georgia Power, OPC, MEAG Power, MEAG Power SPVJ, LLC, MEAG Power SPVM, LLC, MEAG Power SPVP, LLC, and Dalton. (Designated in Form 10-K for the year ended December 31, 2018, File No. 1-6468, as Exhibit 10(c)12.)
	Mississippi Power			
	(d)	1	—	Intercompany Interchange Contract as revised effective May 1, 2007, among Alabama Power, Georgia Power, Gulf Power, Mississippi Power, Southern Power Company, and SCS and Appendix A thereto dated as of January 1, 2019. See Exhibit 10(b)1 herein.
	(d)	2	—	Transmission Facilities Agreement dated February 25, 1982, Amendment No. 1 dated May 12, 1982 and Amendment No. 2 dated December 6, 1983, between Entergy Corporation (formerly Gulf States) and Mississippi Power. (Designated in Form 10-K for the year ended December 31, 1981, File No. 001-11229, as Exhibit 10(f), in Form 10-K for the year ended December 31, 1982, File No. 001-11229, as Exhibit 10(f)(2), and in Form 10-K for the year ended December 31, 1983, File No. 001-11229, as Exhibit 10(f)(3).)
	Southern Power			
	(e)	1	—	Intercompany Interchange Contract as revised effective May 1, 2007, among Alabama Power, Georgia Power, Gulf Power, Mississippi Power, Southern Power Company, and SCS and Appendix A thereto dated as of January 1, 2019. See Exhibit 10(b)1 herein.
	Southern Company Gas			
	(f)	1	—	Final Allocation Agreement dated January 3, 2008. (Designated in Form 10-K for the year ended December 31, 2007, File No. 1-7296, as Exhibit 10.15.)
(14)	**Code of Ethics**			
	Southern Company			
	(a)		—	The Southern Company Code of Ethics. (Designated in Form 10-K for the year ended December 31, 2016, File No. 1-3526, as Exhibit 14(a).)
	Alabama Power			
	(b)		—	The Southern Company Code of Ethics. See Exhibit 14(a) herein.
	Georgia Power			
	(c)		—	The Southern Company Code of Ethics. See Exhibit 14(a) herein.
	Mississippi Power			
	(d)		—	The Southern Company Code of Ethics. See Exhibit 14(a) herein.
	Southern Power			
	(e)		—	The Southern Company Code of Ethics. See Exhibit 14(a) herein.
	Southern Company Gas			
	(f)		—	The Southern Company Code of Ethics. See Exhibit 14(a) herein.
(19)	**Insider Trading Policies and Procedures**			
	Southern Company			
	* (a)		—	Prohibition of Securities Trading Policy.
	Alabama Power			
	* (b)		—	Prohibition of Securities Trading Policy.
	Georgia Power			

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Southern Company Gas*				
	(f)(c)		—	The Prohibition of Securities Trading Policy.
Mississippi Power				
	* (d)		—	Prohibition of Securities Trading Policy.
Southern Power				
	* (e)		—	Prohibition of Securities Trading Policy.
Southern Company Code Gas				
	* (f)		—	Prohibition of Ethics. See Exhibit 14(a) herein. Securities Trading Policy.
(21)	**Subsidiaries of Registrants**			
Southern Company				
	* (a)		—	Subsidiaries of Registrant.
Alabama Power				
	Omitted pursuant to General Instruction I(2)(b) of Form 10-K.			
Georgia Power				
	Omitted pursuant to General Instruction I(2)(b) of Form 10-K.			
Mississippi Power				
	Omitted pursuant to General Instruction I(2)(b) of Form 10-K.			
Southern Power				
	Omitted pursuant to General Instruction I(2)(b) of Form 10-K.			
Southern Company Gas				
	Omitted pursuant to General Instruction I(2)(b) of Form 10-K.			
(23)	**Consents of Experts and Counsel**			
Southern Company				
	* (a)	1	—	Consent of Deloitte & Touche LLP. LLP.
Alabama Power				
	* (b)	1	—	Consent of Deloitte & Touche LLP.
Georgia Power				
	* (c)	1	—	Consent of Deloitte & Touche LLP.
Mississippi Power				
	* (d)	1	—	Consent of Deloitte & Touche LLP.
Southern Power				
	* (e)	1	—	Consent of Deloitte & Touche LLP LLP..
Southern Company Gas				
	* (f)	1	—	Consent of Deloitte & Touche LLP.
	* (f)	2	—	Consent of BDO USA, P.C.
(24)	**Powers of Attorney and Resolutions**			
Southern Company				
	* (a)	1	—	Power of Attorney and resolution.
Alabama Power				
	* (b)	1	—	Power of Attorney and resolution.
Georgia Power				
	* (c)	1	—	Power of Attorney and resolution.
Mississippi Power				
	* (d)	1	—	Power of Attorney and resolution.

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Southern Power				
* (e)	1	—	Power of Attorney and resolution.
Southern Company Gas				
* (f)	1	—	Power of Attorney and resolution.

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(31)	**Section 302 Certifications**			
Southern Company				
* (a)	1	—	Certificate of Southern Company's Chief Executive Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
* (a)	2	—	Certificate of Southern Company's Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act of 2002.
Alabama Power				
* (b)	1	—	Certificate of Alabama Power's Chief Executive Officer required by Section 302 of the Sarbanes-Oxley Act of 200 2002.2.
* (b)	2	—	Certificate of Alabama Power's Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
Georgia Power				
* (c)	1	—	Certificate of Georgia Power's Chief Executive Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
* (c)	2	—	Certificate of Georgia Power's Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
Mississippi Power				
* (d)	1	—	Certificate of Mississippi Power's Chief Executive Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
* (d)	2	—	Certificate of Mississippi Power's Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
Southern Power				
* (e)	1	—	Certificate of Southern Power Company's Chief Executive Officer required by Section 302 of the Sarbanes-Oxley Act of 2002.
* (e)	2	—	Certificate of Southern Power Company's Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
Southern Company Gas				
* (f)	1	—	Certificate of Southern Company Gas' Chief Executive Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..
* (f)	2	—	Certificate of Southern Company Gas' Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act of 2002 2002..

(32)	**Section 906 Certifications**		
Southern Company			
* (a)	—	Certificate of Southern Company's Chief Executive Officer and Chief Financial Officer required by Section 906 of the Sarbanes-Oxley Act of 2002 2002..
Alabama Power			
* (b)	—	Certificate of Alabama Power's Chief Executive Officer and Chief Financial Officer required by Section 906 of the Sarbanes-Oxley Act of 2002 2002..
Georgia Power			
* (c)	—	Certificate of Georgia Power's Chief Executive Officer and Chief Financial Officer required by Section 906 of the Sarbanes-Oxley Act of 2002.
Mississippi Power			
* (d)	—	Certificate of Mississippi Power's Chief Executive Officer and Chief Financial Officer required by Section 906 of the Sarbanes-Oxley Act of 2002 2002..

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Southern Power

* (e)	—	Certificate of Southern Power Company's Chief Executive Officer and Chief Financial Officer required by Section 906 of the Sarbanes-Oxley Act of 2002 2002.

Southern Company Gas

* (f)	—	Certificate of Southern Company Gas' Chief Executive Officer and Chief Financial Officer required by Section 906 of the Sarbanes-Oxley Act of 2002 2002.

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(97) Policy Relating to Recovery of Erroneously Awarded Compensation

Southern Company

* (a)	—	The The Southern Company and Covered Subsidiaries Compensation RecoupmentCompensation Recoupment Policy, effective December 1, 2023. (Designated in Form 10-K for the year ended December 31, 2023, File No. 1-3526, as Exhibit 97(a).)

Georgia Power

(c)	—	The Southern Company and Covered Subsidiaries Compensation Recoupment Policy, effective December 1, 2023. See Exhibit 97(a) herein.

Southern Power

(e)	—	The Southern Company and Covered Subsidiaries Compensation Recoupment Policy, effective December 1, 2023. See Exhibit 97(a) herein.

(101) Interactive Data Files

* INS	—	XBRL Instance Document – The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
* SCH	—	XBRL Taxonomy Extension Schema Document
* CAL	—	XBRL Taxonomy Calculation Linkbase Document
* DEF	—	XBRL Definition Linkbase Document
* LAB	—	XBRL Taxonomy Label Linkbase Document
* PRE	—	XBRL Taxonomy Presentation Linkbase Document

(104) Cover Page Interactive Data File

*	—	Formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101.

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THE SOUTHERN COMPANY

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

THE SOUTHERN COMPANY

By: *Christopher C. Womack*
Chairman, President, and
Chief Executive Officer

By: */s/ Melissa K. Caen*
(Melissa K. Caen, Attorney-in-fact)

Date: *February 14, 2024 19, 2025*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

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REFINITIV

Christopher C. Womack

Chairman, President, and
Chief Executive Officer
(Principal Executive Officer)

Daniel S. Tucker

Executive Vice President, and Chief Financial Officer,
and Treasurer
(Principal Financial Officer)

David P. Poroch

Comptroller and Chief Accounting Officer
(Principal Accounting Officer)

Directors:

Janaki Akella
Henry A. Clark III
Shantella E. Cooper
Anthony F. Earley, Jr.
David J. Grain
Donald M. James
John D. Johns
Dale E. Klein
David E. Meador
Ernest J. Moniz
William G. Smith, Jr.
Kristine L. Svinicki
Lizanne Thomas
E. Jenner Wood III

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 February 19, 2025

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ALABAMA POWER COMPANY

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

ALABAMA POWER COMPANY

By: J. Jeffrey Peoples
Chairman, President, and Chief Executive Officer

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 19, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

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REFINITIV

J. Jeffrey Peoples

Chairman, President, and Chief Executive Officer
(Principal Executive Officer)

Moses H. Feagin

Executive Vice President, Chief Financial Officer, and Treasurer
(Principal Financial Officer)

Anita Allcorn-WalkerD. Allcorn

Senior Vice President and Comptroller
(Principal Accounting Officer)

Directors:

Angus R. Cooper, III
Lee C. Goodloe
O. B. Grayson Hall, Jr.
Larry R. Howell, Jr.
Anthony A. Joseph
Barbara J. Knight
Catherine J. Randall
Kevin B. Savoy
R. Mitchell Shackleford, III
Charisse D. Stokes
Phillip M. Webb
William B. Wilson

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024February 19, 2025

Supplemental Information to be Furnished with Reports Filed Pursuant to Section 15(d) of the Act by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Act:

Alabama Power is not required to send an annual report or proxy statement to its sole shareholder and parent company, The Southern Company, and will not prepare such a report after filing this Annual Report on Form 10-K for fiscal year 2023. 2024. Accordingly, Alabama Power will not file an annual report with the Securities and Exchange Commission.

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GEORGIA POWER COMPANY

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

GEORGIA POWER COMPANY

By: Kimberly S. Greene
Chairman, President, and Chief Executive Officer

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 19, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

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REFINITIV

Kimberly S. Greene

Chairman, President, and Chief Executive Officer
(Principal Executive Officer)

Aaron P. Abramovitz

Executive Vice President, Chief Financial Officer, and Treasurer
(Principal Financial and Accounting Officer)

Adam D. Houston

Vice President and Comptroller
(Principal Accounting Officer)

Directors:

Jill Bullock
Mark L. Burns
Jill Campbell
Andrew W. Evans
Steven R. Ewing
Thomas M. Holder
Tonialo Smith
Kessel D. Stelling, Jr.
Charles K. Tarbutton
Clyde C. Tuggle

By: */s/ Melissa K. Caen*
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 19, 2025

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MISSISSIPPI POWER COMPANY

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

MISSISSIPPI POWER COMPANY

By: *Anthony L. Wilson*
Chairman, President, and Chief Executive Officer

By: */s/ Melissa K. Caen*
(Melissa K. Caen, Attorney-in-fact)

Date: *February 14, 2024 19, 2025*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

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REFINITIV

Anthony L. Wilson

Chairman, President, and Chief Executive Officer
(Principal Executive Officer)

Matthew P. Grice

Vice President, Treasurer, and
Chief Financial Officer
(Principal Financial Officer)

Pascal B. Gill

Comptroller
(Principal Accounting Officer)

Directors:

Augustus Leon Collins
Thomas M. Duff
Mary S. Graham
David B. Hall
Mark E. Keenum
Kari Kara R. Wilkinson
Camille Scales Young

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 February 19, 2025

Supplemental Information to be Furnished with Reports Filed Pursuant to Section 15(d) of the Act by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Act:

Mississippi Power is not required to send an annual report or proxy statement to its sole shareholder and parent company, The Southern Company, and will not prepare such a report after filing this Annual Report on Form 10-K for fiscal year 2023. 2024. Accordingly, Mississippi Power will not file an annual report with the Securities and Exchange Commission.

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SOUTHERN POWER COMPANY

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

SOUTHERN POWER COMPANY

By: Christopher Cummiskey
Chairman and Chief Executive Officer

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 19, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

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Christopher Cummiskey

Chairman and Chief Executive Officer
(Principal Executive Officer)

Gary Kerr

Senior Vice President, Chief Financial Officer, and Treasurer
(Principal Financial Officer)

Jelena Andrin

Vice President and Comptroller
(Principal Accounting Officer)

Directors:

Bryan D. Anderson
Stan Stanley W. Connally, Jr.
Martin B. Davis
Sloane N. Drake
James Y. Kerr, II
Sterling A. Spainhour
Daniel S. Tucker
Christopher C. Womack

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 February 19, 2025

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SOUTHERN COMPANY GAS

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. The signature of the undersigned company shall be deemed to relate only to matters having reference to such company and any subsidiaries thereof.

SOUTHERN COMPANY GAS

By: James Y. Kerr II
Chairman, President, and Chief Executive Officer

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 19, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated. The signature of each of the undersigned shall be deemed to relate only to matters having reference to the above-named company and any subsidiaries thereof.

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James Y. Kerr II

Chairman, President, and Chief Executive Officer
(Principal Executive Officer)

Grace A. Kolvereid

Executive Vice President, Chief Financial Officer, and Treasurer
(Principal Financial Officer)

Sarah P. Adams

Senior Vice President and Comptroller
(Principal Accounting Officer)

Directors:

Sandra N. Bane
Thomas D. Bell, Jr.
Brenda J. Gaines
Bradley J. Henderson
Norman G. Holmes
J. Bret Lane
John E. Rau
Eric S. Smith

By: /s/ Melissa K. Caen
(Melissa K. Caen, Attorney-in-fact)

Date: February 14, 2024 February 19, 2025

Supplemental Information to be Furnished with Reports Filed Pursuant to Section 15(d) of the Act by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Act:

Southern Company Gas is not required to send an annual report or proxy statement to its sole shareholder and parent company, The Southern Company, and will not prepare such a report after filing this Annual Report on Form 10-K for fiscal year 2023. 2024. Accordingly, Southern Company Gas will not file an annual report with the Securities and Exchange Commission.

Exhibit 10(a)2

SOUTHERN COMPANY DEFERRED COMPENSATION PLAN

Amended and Restated as of January 1, 2025

SOUTHERN COMPANY DEFERRED COMPENSATION PLAN

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SOUTHERN COMPANY DEFERRED COMPENSATION PLAN

ARTICLE I

Purpose and Adoption of Plan

1.1 Adoption: Southern Company Services, Inc. and the other Employing Companies established the Deferred Compensation Plan for The Southern Electric System effective October 1, 1988. The Plan has been amended from time to time including the good faith amendment and restatement effective January 1, 2005 and then again effective January 1, 2009, both of which were adopted to comply with Code Section 409A, including the proposed, temporary, or final regulations, or other guidance issued by the Secretary of Treasury and the Internal Revenue Service with respect thereto (collectively "***409A Guidance***"). The Plan was further amended and restated effective January 1, 2018, and then further amended pursuant to amendments dated December 7, 2018, January 29, 2019, November 27, 2020, and December 1, 2021 (the "***Prior Amendments***"). This amendment and restatement effective January 1, 2025 was adopted to permit certain newly-eligible Plan participants to defer certain compensation with respect to service during their first year of Plan eligibility. Certain provisions of the Plan with respect to divestitures (as set forth in Section 4.4 of the Plan prior to this amendment and restatement pursuant to the Prior Amendments) are omitted from this amendment and restatement for purposes of convenience, but such provisions are intended to remain effective pursuant to their terms. Except as otherwise provided herein and consistent with Section 1.3, the terms of the Plan as in effect prior to January 1, 2005 shall continue to be applicable to deferrals made pursuant to the Plan prior to such January 1, 2005.

1.2 Purpose: This Southern Company Deferred Compensation Plan is designed to permit a select group of management or highly compensated employees ("***Top-Hat Employees***") within the meaning of Title I of ERISA to elect to defer a portion of their regular compensation during each payroll period and to defer all or a portion of certain short-term incentive payments until a specified date or until their death, retirement, or other Separation from Service with an Employing Company. Effective January 1, 2010, the Plan was also designed to accept matching contributions made by Employing Companies based on a set percentage multiplied by the Compensation deferred by a Participant into the Plan. The Plan is intended to constitute a non-qualified deferred compensation plan that complies with the provisions of Code Section 409A and an unfunded deferred compensation arrangement for Top-Hat Employees governed by ERISA whose benefits shall be paid solely from the general assets of the Employing Companies.

1.3 Schedule of Provisions for Pre-2005 Deferrals: The attached Schedule of Provisions for Pre-2005 Deferrals (the "***Schedule***") sets forth the operative provisions of the Plan applicable to "grandfathered" deferrals of Compensation and Incentive Pay made by Participants which are treated by the Employing Companies as not subject to Section 409A of the Code. The Account balance (plus earnings thereon) of the grandfathered deferrals shall only be subject to the provisions set forth in the Schedule. In accordance with transition rules under the 409A Guidance, these provisions are only intended to preserve the rights and features of the "grandfathered" deferrals and are, therefore, not intended to "materially modify" any aspect of such rights and features. Provisions of the Schedule should be so construed whenever necessary or appropriate. Provisions in the Schedule shall only be amended in accordance with the Schedule's terms.

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1.4 409A Transition Elections: At a time and in a manner determined by the Committee, Participants shall make timely elections to conform to the Plan's terms effective on and after January 1, 2005. Where a Participant fails to make such elections required by the Committee, with regard to the form of distribution (*i.e.* , lump sum or installment), the Committee shall establish a default distribution form based on the following hierarchy: first, the most current distribution form in effect applicable to the Account balance governed by the Schedule of Provisions for Pre-2005 Deferrals; if none, lump sum. Such elections are intended to meet the transition requirements of Section 409A of the Code and Internal Revenue Service Notice 2005-1.

ARTICLE II
Definitions

For purposes of the Plan, the following terms shall have the following meanings unless a different meaning is plainly required by the context:

2.1 "***Account***" shall mean the account or accounts established and maintained by an Employing Company to reflect the interest of a Participant in the Plan resulting from a Participant's deferral of Compensation (plus Employer Matching Contributions made thereon, if any) and/or Incentive Pay each year and adjustments thereto to reflect income, gains, losses, and other credits or charges. Charges to a Participant's Account for distributions shall be posted as of the date the Account is valued in accordance with Section 7.1(a).

2.2 "***Board of Directors***" shall mean the Board of Directors of the Company.

2.3 "***Change in Control Benefits Protection Plan***" shall mean the Change in Control Benefits Protection Plan, as approved by the Southern Board, as it may be amended from time to time in accordance with the provisions therein.

2.4 "***Closing Price***" shall mean the closing price on any trading day of a share of Common Stock based on consolidated trading as defined by the Consolidated Tape Association and reported as part of the consolidated trading prices of New York Stock Exchange listed securities.

2.5 "***Code***" shall mean the Internal Revenue Code of 1986, as amended from time to time.

2.6 "***Committee***" shall mean the committee referred to in Section 3.1 hereof.

2.7 "***Common Stock***" shall mean the common stock of Southern.

2.8 "***Company***" shall mean Southern Company Services, Inc.

2.9 "***Compensation***" shall mean, for any year, an Employee's base wages or salary paid by any Employing Company to such Employee, including amounts contributed by an Employing Company to the Employee Savings Plan as Elective Employer Contributions, as said term is defined in the Employee Savings Plan, pursuant to the Employee's exercise of his or her deferral option made in accordance with Section 401(k) of the Code, amounts contributed by an Employing Company to the Employee Savings Plan as catch-up contributions pursuant to the Employee's

exercise of his deferral option made thereunder in accordance with the requirements of Section 414(v) of the Code, and amounts contributed by an Employing Company to The Southern Company Flexible Benefits Plan on behalf of the Employee pursuant to his or her salary reduction election under such plan; but disregarding overtime and any reimbursements to an Employee paid by any Employing Company including, but not limited to, reimbursements for such items as moving expenses, automobile expenses, tax preparation expenses, travel and entertainment expenses, and health and life insurance premiums.

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2.10 "***Deemed Investment Option***" shall mean a notional investment option, rather than an actual investment option. A Participant's account will be hypothetically invested for purposes of determining the earnings or losses to be credited. Deemed Investment Options will be determined by the Committee, and may change from time to time. Any changes to the Deemed Investment Options will be communicated to Participants in a timely manner.

2.11 "***Deferral Election***" shall mean the Participant's election to defer a portion of his or her Compensation and/or Incentive Pay pursuant to Article V hereof.

2.12 "***Distribution Election***" shall mean the election under Article VII hereof, pursuant to which a Participant elects the distribution of his or her Account.

2.13 "***Employee***" shall mean any person who is currently employed by an Employing Company.

2.14 "***Employee Savings Plan***" shall mean The Southern Company Employee Savings Plan, as amended from time to time.

2.15 "***Employee Stock Ownership Plan***" shall mean The Southern Company Employee Stock Ownership Plan, as amended from time to time until merged into the Employee Savings Plan effective December 20, 2006.

2.16 "***Employer Matching Contribution***" shall mean the matching contribution described in Section 5.1(b).

2.17 "***Employing Company***" shall mean the Company, or any affiliate or subsidiary (direct or indirect) of The Southern Company, which the Board of Directors may from time to time determine to bring under the Plan and which shall adopt the Plan, and any successor of any of them. The Employing Companies are set forth in Appendix A of the Plan, as may be amended from time to time.

2.18 "***Enrollment Date***" shall mean January 1 of each Plan Year, and such other dates permitted by the terms of the Plan or as may be determined from time to time by the Committee. No enrollment date shall violate Code Section 409A.

2.19 "***ERISA***" shall mean the Employee Retirement Income Security Act of 1974, as amended.

2.20 "***Exchange Act***" shall mean the Securities Exchange Act of 1934, as amended.

2.21 "***Incentive Pay***" shall mean such short-term incentive pay as the Committee shall permit to be deferred under this Plan for any Plan Year and in all events includes retention compensation where the written retention agreement expressly provides that the retention compensation is to be treated as "incentive pay" which is deferrable under this Plan.

2.22 "***Investment Election***" shall mean the Participant's election to have his or her deferred Compensation (plus Employer Matching Contributions made thereon, if any) or Incentive Pay notionally invested pursuant to Section 6.2, Section 6.3 or Section 6.4 hereof.

2.23 "***Key Employee***" shall have the meaning ascribed to the term "specified employee" under Code Section 409A(a)(2)(B)(i) and the regulations promulgated thereunder as it applies to a Participant. The Committee shall establish the time period required to determine key employee status.

2.24 "***Key-Employee Delay***" shall mean the six (6) month delay in the commencement of benefits applicable to Key Employees pursuant to the requirements of Code Section 409A(a)(2)(B)(i) and the regulations promulgated thereunder.

2.25 "***Modification Delay***" shall mean the requirements permitting a change in time or form of payment as allowed under Code Section 409A(a)(4)(C) and the regulations promulgated thereunder.

2.26 "***Non-adopting Company***" shall mean any subsidiary or affiliate of Southern which is not an Employing Company.

2.27 "***Participant***" shall mean an Employee or former employee of an Employing Company who is eligible to and defers Compensation and/or Incentive Pay under the Plan or who was so eligible and had an unpaid Account balance upon his or her death, retirement, or other Separation from Service with an Employing Company.

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2.28 "***Pension Plan***" shall mean The Southern Company Pension Plan, as amended from time to time.

2.29 "***Plan***" shall mean the Southern Company Deferred Compensation Plan, amended and restated as of January 1, 2025, as further amended from time to time.

2.30 "***Plan Year***" shall mean the calendar year.

2.31 "***Separation from Service***" shall have the meaning ascribed to this term under Code Section 409A(a)(2)(A)(i) and the regulations promulgated thereunder. For this purpose, Separation from Service shall include a permanent decrease in the level of bona fide services performed by the Participant after a certain date to a level that is twenty percent (20%) or less of the average level of bona fide services performed by the Participant over the immediately preceding thirty-six (36) month period.

2.32 "***Southern***" shall mean The Southern Company, its successors and assigns.

2.33 "***Southern Board***" shall mean the board of directors of Southern.

2.34 "***Total Disability***" shall mean a total disability as determined by the Social Security Administration and meeting the requirements of Code Section 409A(a)(2).

2.35 "***Trust***" shall mean the Southern Company Deferred Compensation Trust.

2.36 "***Unforeseeable Emergency***" shall mean a severe financial hardship meeting the requirements of Code Section 409A(a)(2)(B)(ii).

2.37 "***Valuation Date***" shall mean each trading day of the New York Stock Exchange, or any successor national exchange on which the Common Stock is traded and with respect to which a Closing Price may be determined.

Where the context requires, the definitions of all terms set forth in the Pension Plan, the Employee Savings Plan, and the Employee Stock Ownership Plan shall apply with equal force and effect for purposes of interpretation and administration of the Plan, unless said terms are otherwise specifically defined in the Plan. Words in the masculine gender shall include the feminine and neuter genders, words in the singular shall include the plural, and words in the plural shall include the singular.

ARTICLE III
Administration of Plan

3.1 Effective May 31, 2007, the general administration of the Plan shall be placed in the "Committee" which shall consist of the Benefits Administration Committee, the members of which shall be appointed from time to time by the Fiduciary Oversight Committee of the Board of Directors. The Committee shall govern itself in accordance with the terms of the Charter for the Benefits Administration Committee approved by the Fiduciary Oversight Committee of the Board of Directors.

3.2 No member of the Committee shall receive any compensation from the Plan for his or her service.

3.3 (a) The Committee shall administer the Plan in accordance with its terms and shall have all powers necessary to carry out the provisions of the Plan as may be more particularly set forth herein. The Committee shall interpret the Plan and shall determine all questions arising in the administration, interpretation, and application of the Plan. Any such determination by the Committee shall be conclusive and binding on all persons. The Committee shall be the Plan's agent for service of process.

(b) If a claim for benefits under the Plan is denied, in whole or in part, the Committee will provide a written notice of the denial within a reasonable period of time, but not later than 90 days after the claim is received. If special circumstances require more time to process the claim, the Committee will issue a written explanation of the special circumstances prior to the end of the 90 day period and a decision will be made as soon as possible, but not later than 180 days after the claim is received.

The written notice of claim denial will include:

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- Specific reasons why the claim was denied;
- Specific references to applicable provisions of the Plan document or other relevant records or papers on which the denial is based, and information about where a Participant or his beneficiary may see them;
- A description of any additional material or information needed to process the claim, and an explanation of why such material or information is necessary;
- An explanation of the claims review procedure, including the time limits applicable to such procedure, as well as a statement notifying the Participant or his or her beneficiary of their right to file suit if the claim for benefits is denied, in whole or in part, on review.

Upon request, a Participant or his or her beneficiary will be provided without charge, reasonable access to, and copies of, all non-confidential documents that are relevant to any denial of benefits. A claimant has 60 days from the day he or she receives the original denial to request a review. Such request must be made in writing and sent to the Committee. The request should state the reasons why the claim should be reviewed and may also include evidence or documentation to support the claimant's position.

The Committee will reconsider the claimant's claim, taking into account all evidence, documentation, and other information related to the claim and submitted on the claimant's behalf, regardless of whether such information was submitted or considered in the initial denial of the claim. The Committee will make a decision within 60 days. If special circumstances require more time for this process, the claimant will receive written explanation of the special circumstances prior to the end of the initial 60-day period and a decision will be sent as soon as possible, but not later than 120 days after the Committee receives the request.

No legal action to recover benefits or enforce or clarify rights under a Plan can be commenced until the Participant or his or her beneficiary has first exhausted the claims and review procedures provided under the Plan.

3.4 The Committee may adopt such regulations as it deems desirable for the conduct of its affairs and may appoint such accountants, counsel, actuaries, specialists, and other persons as it deems necessary or desirable in connection with the administration of this Plan.

3.5 The Committee shall be reimbursed by the Employing Companies for all reasonable expenses incurred by it in the fulfillment of its duties, including, but not limited to, fees of accountants, counsel, actuaries, and other specialists, and other costs of administering the Plan.

3.6 (a) The Committee is responsible for the daily administration of the Plan and may appoint other persons or entities to perform any of its fiduciary functions. The Committee and any such appointee may employ advisors and other persons necessary or convenient to help the Committee carry out its duties, including its fiduciary duties. The Committee shall review the work and performance of each such appointee, and shall have the right to remove any such appointee from his or her position. Any person, group of persons, or entity may serve in more than one fiduciary capacity.

(b) The Committee shall maintain accurate and detailed records and accounts of Participants and of their rights under the Plan and of all receipts, disbursements, transfers, and other transactions concerning the Plan. Such accounts, books, and records relating thereto shall be open at all reasonable times to inspection and audit by the Board of Directors and by any persons designated thereby.

(c) The Committee shall take all steps necessary to ensure that the Plan complies with the law at all times. These steps shall include such items as the preparation and filing of all documents and forms required by any governmental agency; maintaining of adequate Participants' records; recording and transmission of all notices required to be given to Participants and their beneficiaries; the receipt and dissemination, if required, of all reports and information received from an Employing Company; securing of such fidelity bonds as may be required by law; and doing such other

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acts necessary for the proper administration of the Plan. The Committee shall keep a record of all of its proceedings and acts, and shall keep all such books of account, records, and other data as may be necessary for proper administration of the Plan. The Committee shall notify the Employing Companies upon their request of any action taken by the Committee, and when required, shall notify any other interested person or persons.

ARTICLE IV
Eligibility

4.1 Any Employee who is determined eligible to participate in accordance with Section 2.28 or 4.2 of the Plan and whose base compensation and salary grade level equals or exceeds such minimum threshold as may be established by the Committee from time to time may elect to participate in the Plan beginning on any Enrollment Date by electing to have his or her Compensation and/or Incentive Pay reduced and such amounts contributed to the Plan in accordance with Article V hereof, and directing the investment of such contributions in accordance with Article VI hereof. An Employee who is eligible to participate and elects to defer Compensation and/or Incentive Pay shall be a Participant in the Plan. The Committee shall be authorized to establish the minimum base compensation and the salary grade level required for eligibility to participate in the Plan, to be effective as of the first day of the next succeeding Plan Year. Notwithstanding the foregoing, any Employee eligible to participate in any similar group employee deferred compensation plan maintained by an Employing Company or maintained by a Non-adopting Company shall be ineligible to defer Compensation or Incentive Pay under this Plan, unless the Committee in its sole discretion shall determine otherwise.

4.2 The Committee shall determine which Employees are eligible to participate in the Plan. Additionally, the Committee shall be authorized to modify the minimum base compensation and the salary grade threshold described in Section 4.1 of the Plan and to rescind the eligibility of any Participant to continue deferrals if this is necessary or advisable to ensure that the Plan is maintained primarily for the purpose of providing deferred compensation to a select group of management or highly compensated employees, as such terms are defined by the ERISA. A Participant whose eligibility is rescinded or who loses eligibility for any reason shall not be eligible to defer Compensation or Incentive Pay until eligibility is restored in accordance with the guidelines established by the Committee.

4.3 The Committee shall have the authority to permit, if it deems appropriate, separate Deferral Elections under Article V hereof, Investment Elections under Article VI hereof, and Distribution Elections under Article VII hereof for Compensation and/or Incentive Pay, respectively. Employer Matching Contributions will be governed by Deferral Elections, Investment Elections, and Distribution Elections as contemplated in the preceding sentence in the same manner as Compensation.

ARTICLE V
Deferral Election

5.1 (a) A Participant may elect to defer payment of a portion of his or her Compensation otherwise payable to him by his or her Employing Company during each payroll period of the next succeeding Plan Year (or, pursuant to Section 5.4, during each payroll period of the remaining complete calendar quarters in the Plan Year) by any whole percentage not to exceed fifty percent (50%) of his or her Compensation, or such greater or lesser amount as shall be determined by the Committee from time to time. A Participant may also elect to defer payment of up to one hundred percent (100%), by whole percentages, of any Incentive Pay otherwise payable to him or her by his or her Employing Company.

(b) With respect to a Participant who elects to defer payment of a portion of his or her Compensation in accordance with (a) above, an Employing Company shall match any such deferred amount at five and one-tenths percent (5.1%) at the time such Compensation is deferred in accordance with Article V.

5.2 The Deferral Election shall be made in a manner prescribed by the Committee and shall state as follows:

(a) That the Participant wishes to make an election to defer the receipt of a portion of his or her Compensation and/or all or a portion of his or her Incentive Pay;

(b) The whole percentage of his or her Compensation and/or Incentive Pay which the Participant elects to defer; and

(c) The Distribution Election under Article VII hereof.

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5.3 The Deferral Election of a Participant shall be made by the Participant in a manner prescribed by the Committee and delivered by the date established by the Committee and, except as otherwise provided in Section 5.4, shall be effective on the first day of the Plan Year immediately following the date of the Deferral Election. A Deferral Election with respect to the deferral of future Compensation and/or Incentive Pay shall be an annual election for each Plan Year; except that, with respect to certain Incentive Pay that is retention compensation, the deferral of such compensation may be set forth in writing in the retention arrangement at the time such arrangement is established. The termination of a Participant's participation in the Plan shall not affect the Participant's Compensation (plus Employer Matching Contributions made thereon, if any) or Incentive Pay previously deferred under the Plan, which shall be invested and distributed in accordance with the Participant's elections and the terms and conditions of the Plan. Such terminated Participant shall become an inactive Participant with respect to eligibility to make future deferrals under this Plan.

5.4 If a Participant first becomes eligible to participate in the Plan on a date other than the first day of a Plan Year, such Participant can elect to defer the payment of his or her Compensation or Incentive Pay otherwise payable for services rendered as such for the complete calendar quarters remaining in such Plan Year if the Participant makes a Deferral Election on or before June 30th day of the Plan Year in which he or she first becomes eligible to participate in the Plan; provided, however, that in the case of Incentive Pay that is based upon a specified performance period (e.g., an annual bonus) where a deferral election is made in the first Plan Year of eligibility but after the beginning of the performance period, the election shall apply to no more than fifty (50%) percent of the Incentive Pay that may be earned during such performance period. For purposes of any Deferral Election made pursuant to this Section 5.4, the Enrollment Date shall be the July 1st immediately following the date of the Deferral Election.

5.5 The Committee may cancel the Deferral Election of a Participant who incurs a disability. Any cancellation under this section must occur by the later of the end of the calendar year in which the Participant incurs the disability or the 15th day of the third month after the date the Participant incurs the disability. For purposes of this section, "disability" shall have the meaning set forth in Treasury Regulation Section 1.409A-3(j)(4)(xii).

ARTICLE VI
Participants' Accounts

6.1 Upon the Committee's receipt of a Participant's valid Deferral Election under Article V hereof, beginning as of the Enrollment Date, the designated portion of Compensation (plus Employer Matching Contributions made thereon, if any) and/or Incentive Pay shall be credited to the Participant's Account in accordance with the provisions of this Article VI, subject to Section 5.4 (to the extent applicable).

6.2 On the last business day of each month, the Account of each Participant electing in a manner prescribed by the Committee to invest his or her deferred Compensation (plus Employer Matching Contributions made thereon, if any) and/or Incentive Pay for a Plan Year in accordance with this Section 6.2 shall be credited by the Employing Company with a deemed amount equal to the monthly equivalent of the per annum prime rate of interest as published by the Wall Street Journal as the base rate on corporate loans posted as of the last business day of each month by at least seventy five (75%) percent of the United States' largest banks, compounded monthly on any Account balance so invested until such balance is fully distributed.

6.3 The designated portion of the Account of each Participant electing in a manner prescribed by the Committee to invest his or her deferred Compensation (plus Employer Matching Contributions made thereon, if any) and/or Incentive Pay for a Plan Year in accordance with this Section 6.3 shall be credited on the effective date of investment with the deemed number of shares (including fractional shares) of Common Stock which could have been purchased on such date with the dollar amount of such deferral, based upon the Common Stock's Closing Price on the Valuation Date coincident with the date of investment. As of the date on which occurs the payment of dividends on the Common Stock, if any, there shall be credited with respect to the deemed number of shares of Common Stock in the Participant's Account on the applicable dividend record date such additional deemed shares (including fractional shares) of Common Stock as follows:

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(a) In the case of cash dividends, such additional deemed shares as could be purchased at the Closing Price on the Valuation Date coincident with the dividend payment date with the dividends which would have been payable on the deemed number of shares previously credited to the Participant's Account as of the dividend record date;

(b) In the case of dividends payable in property other than cash or Common Stock, such additional deemed shares as could be purchased at the Closing Price on the Valuation Date coincident with the dividend payment date with the fair market value of the property which would have been payable on the deemed number of shares previously credited to the Participant's Account as of the dividend record date; or

(c) In the case of dividends payable in Common Stock, such additional deemed shares as would have been payable on the deemed number of shares previously credited to the Participant's Account as of the dividend record date.

6.4 The designated portion of the Account of each Participant electing in a manner prescribed by the Committee to invest his or her deferred Compensation (plus Employer Matching Contributions made thereon, if any) and/or Incentive Pay for a Plan Year in accordance with this Section 6.4 shall be credited on the effective date of investment with the Deemed Investment Option for purposes of determine the earnings or losses to be credited.

6.5 (a) The initial Investment Election by a Participant with respect to deferrals into, Employer Matching Contributions (if any) and earnings on his or her Account shall be made in a manner prescribed by the Committee. Such Investment Elections shall be delivered in accordance with such instructions and shall be effective on the first day of such succeeding Plan Year or, in the case of Deferral Elections made pursuant to Section 5.4, on the July 1st immediately following the date of the Deferral Election.

(b) The Participant may transfer in accordance with procedures prescribed by the Committee all or a portion of his Account between investment options. Any such transfer shall constitute an Investment Election as to the amount transferred and shall be effective immediately upon transfer. The timing of transfers between investment options, the procedures for transfer and the valuation of transferred Accounts or portions of Accounts shall be determined by the Committee. In any event, any Participant who is required to file reports pursuant to Section 16(a) of the Exchange Act with respect to equity securities of Southern shall not be permitted to transfer between investment options during any restricted period as determined by the Committee in its sole discretion.

6.6 The Committee shall issue a report at least annually to each Participant holding an Account, setting forth at least the following:

(a) with respect to amounts invested under Section 6.2 and 6.4 hereof, as of the last day of the Plan Year, the Account Balance, the dollar amount of deferrals, Employer Matching Contributions (if any), and earnings thereon, and

(b) with respect to amounts invested under Section 6.3 hereof, the Closing Price of shares of Common Stock credited to each Participant's Account as of the Valuation Date coincident with the last business day of the Plan Year, the total number of deemed shares of

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Common Stock (and fractions thereof), and the total value of the Participant's deemed investment in Common Stock as of such Valuation Date.

ARTICLE VII
Account Distribution

7.1 (a) In general, and subject to the provisions of this Article VII, distributions of a Participant's Account under this Plan will commence (i) if elected by the Participant, on the date specified by the Participant pursuant to Section 7.6, or (ii) if no such specified date is elected by the Participant, on the date of the Participant's Separation from Service. When a Participant Separates from Service with an Employing Company or otherwise becomes entitled to commence the distribution of all or a portion of his or her Account, he or she shall be entitled to receive in cash an amount equal to the dollar amount of any deferrals, any Employer Matching Contributions, and any amounts in lieu of interest thereon credited to his or her Account under Section 6.2 hereof, and the dollar value of the product of the Closing Price multiplied by the number of deemed shares of Common Stock (and fractions thereof) credited to his or her Account in accordance Section 6.3 hereof, determined as of the date the Account is valued for distribution. If such date is a non-business day, the Account shall be valued as of the next business day. Such amounts shall be paid in accordance with the Participant's Distribution Elections made in accordance with Section 7.4. No portion of a Participant's Account shall be distributed in Common Stock.

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(b) The transfer by a Participant between subsidiaries or affiliates of Southern shall not be deemed to be a termination of employment with an Employing Company for purposes of the Plan.

7.2 In the event that a Participant has made or is deemed to have made a Distribution Election to receive a lump sum distribution of his or her Account, the dollar amount determined under Section 7.1 hereof shall be paid to the Participant as soon as practicable but not later than seventy-five (75) days following the date on which the Participant's Separation from Service occurs or, if applicable, following the specified date elected by the Participant in accordance with Section 7.6. Notwithstanding the foregoing, if a Participant is a Key Employee and the payment is triggered by Separation from Service, such Participant shall be subject to the Key-Employee Delay and the payment of the lump sum following Separation from Service shall be as of the beginning of the seventh full calendar month. Such delay shall not apply to a Participant's election under Section 7.6.

7.3 In the event that a Participant has made a Distribution Election to receive the distribution of his or her Account in annual installments following the Participant's Separation from Service, the first payment shall be made as soon as practicable but not later than seventy-five (75) days following the date on which the Participant's Separation from Service occurs and shall be in an amount equal to the dollar balance in the Participant's Account determined under Section 7.1 hereof, divided by the number of annual installments elected. Subsequent annual installments shall be in an amount equal to the dollar value of the Participant's Account determined under Section 7.1 hereof divided by the number of the remaining annual payments, and shall be paid as of each anniversary of the initial payment date (or what would have been the initial payment date but for the Key-Employee Delay) until the balance of the Participant's Account is paid in full. For purposes of Section 409A of the Code, installments shall be treated as a single payment.

Notwithstanding the foregoing, if a Participant is a Key Employee, such Participant shall be subject to the Key-Employee Delay and the first installment payment following Separation from Service shall be as of the beginning of the seventh full calendar month. In the event a beneficiary designation is not on file or the designated beneficiary is deceased or cannot be located, payment will be made to the Participant's estate.

7.4 When a Participant makes a Deferral Election, he or she shall make a Distribution Election in a manner prescribed by the Committee. Such Distribution Election shall apply only to the amounts attributable to that specified Deferral Election (including any Employer Matching Contribution made on a deferral of Compensation) and may not be subsequently revoked, except that one or more Distribution Elections may be modified by a Participant but only if such modification meets the requirements of a Modification Delay. Each year's Deferral Election is allowed a one-time re-deferral in which the time and/or form of payment can be modified. In accordance with Section 409A of the Code, any changes to time and/or form of payment, must be made at least 12 months before the originally scheduled commencement date, and result in a delay of at least five years from the originally scheduled commencement date. If disability, death, or a Separation of Service occur within 12 months after the re-deferral election and cause the distribution to be made less than 12 months before the originally scheduled commencement date, the original Deferral Election shall apply and the re-deferral election shall be revoked.

7.5 Upon the death of a Participant prior to the complete distribution of his or her Account, the Account balance shall be paid to the Participant's designated beneficiary determined pursuant to Section 7.9 in the form of a lump sum as soon as practicable but not more than seventy-five (75) days following the date of the Participant's death.

7.6 In lieu of distributions commencing upon a Separation from Service, Participants may elect in a manner prescribed by the Committee to commence payment of all or a portion of his or her Deferral Election as of a specified date. Distributions that are subject to such an election must be paid in a lump sum.

7.7 Upon the Total Disability of a Participant, the balance of his or her Account shall be paid in accordance with Participant's Deferral Election commencing as of such Participant's Separation from Service or, if applicable, as of any date specified by the Participant pursuant to an election under Section 7.6.

7.8 Upon the occurrence of an Unforeseeable Emergency and an application made by a Participant or his or her beneficiary, the Committee may in its sole discretion determine to make a lump-sum payment up to the amount in the Participant's Account in accordance with the requirements of Code Section 409A to satisfy such Unforeseeable Emergency. Such lump-sum payment shall reduce pro rata the amount attributable to each annual Deferral Election made by the Participant.

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7.9 Beneficiary designations may be made or changed by the Participants in a manner prescribed by the Committee at any time without the consent of any prior beneficiary. In the event a beneficiary designation is not on file or the designated beneficiary is deceased or cannot be located following the death of the Participant, payment will be made to the Participant's estate.

7.10 In the event a Participant who is employed on or after January 1, 1999 with Southern or one of its Subsidiaries (as defined in the Change in Control Benefits Protection Plan) disputes the calculation of his Account or payment of amounts due under the terms of the Plan, such Participant has recourse against the Company, the Employing Company by which Participant is employed, if different, the Plan, and the Trust for the payment of benefits to the extent the Trust so provides.

7.11 The provisions of the Change in Control Benefits Protection Plan are incorporated herein by reference to determine the occurrence of a Change in Control or Funding Change in Control (as such terms are defined in the Change in Control Benefits Protection Plan), the benefits to be provided hereunder, and the funding of the Trust in such event. Any modifications to the Change in Control Benefits Protection Plan are likewise incorporated herein and are otherwise intended to comply with 409A of the Code.

ARTICLE VIII
Miscellaneous Provisions

8.1 Neither the Participant, his or her beneficiary, nor his or her legal representative shall have any rights to commute, sell, assign, transfer, or otherwise convey the right to receive any payments hereunder, which payments and the rights thereto are expressly declared to be non-assignable and nontransferable. Any attempt to assign or transfer the right to payments of this Plan shall be void and have no effect.

8.2 Except as expressly limited under the terms of the Trust, an Employing Company maintaining an Account for the benefit of a Participant shall neither reserve nor specifically set aside funds for the payment of its obligations under the Plan. In any event, such obligations shall be paid or deemed to be paid solely from the general assets of the Employing Companies. Participants shall only have the status of a general, unsecured creditor of the Employing Company(ies). Notwithstanding that a Participant shall be entitled to receive the balance of his or her Account under the Plan, the assets from which such amount may be paid shall at all times be subject to the claims of the creditors of the Participants' Employing Companies.

8.3 Except for the provisions of Section 7.10 hereof, which may not be amended following a Change in Control (as defined in the Change in Control Benefits Protection Plan), the Plan may be amended, modified, or terminated by the Board of Directors in its sole discretion at any time and from time to time; provided, however, that no such amendment, modification, or termination shall impair any rights to any amounts which have been earned or deferred under the Plan prior to such amendment, modification, or termination. Effective March 1, 2006, except as may otherwise be required by applicable law or stock exchange requirements, the Plan may also be amended by the Committee (a) if such amendment does not involve a substantial increase in cost to any Employing Company, or (b) as may be necessary, proper, or desirable in order to comply with laws or regulations enacted or promulgated by any federal or state governmental authority.

8.4 It is expressly understood and agreed that the payments made in accordance with the Plan are in addition to any other benefits or compensation to which a Participant may be entitled

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or for which he or she may be eligible, whether funded or unfunded, by reason of his or her employment with any Employing Company.

8.5 There may be deducted from any payment under the Plan in accordance with the requirements of 409A of the Code the amount of any tax owed by the Participant required by any governmental authority to be withheld and paid over by an Employing Company to such governmental

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authority for the account of the person entitled to such distribution. The Employing Company may also seek payment for tax owed by the Participant directly from such Participant or may withhold such tax from compensation otherwise paid to such Participant.

8.6 Any Compensation or Incentive Pay deferred by a Participant while employed by an Employing Company and any Transferred Amounts shall not be considered "compensation," as the term is defined in the Employee Savings Plan, the Employee Stock Ownership Plan, or the Pension Plan unless any one or all of those plans expressly provides otherwise. Distributions from a Participant's Account shall not be considered wages, salaries, or compensation under any other employee benefit plan.

8.7 No provision of this Plan shall be construed to affect in any manner the existing rights of an Employing Company to suspend, terminate, alter, or modify, whether or not for cause, the employment relationship of the Participant and his or her Employing Company.

8.8 For the avoidance of doubt, the provisions of the Plan effective in the Plan's amendment and restatement dated January 1, 2004 ("***2004 Plan***") concerning Mirant Shares were applied through the liquidation of Mirant Shares as a form of investment in the Plan as of June 30, 2006. Although these provisions concerning Mirant Shares are not restated in this amendment and restatement, a Participant's rights concerning Mirant Shares are as set forth in such 2004 Plan. To this limited extent, the provisions in the 2004 Plan concerning Mirant Shares are incorporated herein.

8.9 This Plan, and all rights under it, shall be governed by and construed in accordance with the laws of the State of Georgia without regard to conflict of laws principles to the extent not preempted by ERISA.

[Signature page follows]

IN WITNESS WHEREOF, the amended and restated Plan has been executed by duly authorized officers of Southern Company Services, Inc. pursuant to resolutions of the Committee, this 2nd day of December, 2024.

SOUTHERN COMPANY SERVICES, INC.

By: /s/James M. Garvie

Name: James M. Garvie

Its: SVP, HR Total Rewards / HRIS

APPENDIX A

THE SOUTHERN COMPANY DEFERRED COMPENSATION PLAN

EMPLOYING COMPANIES AS OF JANUARY 1, 2025

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Alabama Power Company
Georgia Power Company
Mississippi Power Company
PowerSecure, Inc.
Southern Communications Services, Inc.
Southern Company Gas' affiliated companies
Southern Company Services, Inc.
Southern Nuclear Operating Company, Inc.
Southern Power Company

SCHEDULE OF PROVISIONS FOR PRE-2005 DEFERRALS

ARTICLE I
Purpose

1.1 Schedule of Provisions for Pre-2005 Deferrals: This Schedule of Provisions for Pre-2005 Deferrals (this "***Schedule***") sets forth the operative provisions of the Plan applicable to "grandfathered" deferrals of Compensation and Incentive Pay made by Participants which are treated by the Employing Companies as not subject to Section 409A of the Code. The Account balance (plus earnings thereon) of the grandfathered deferrals shall only be subject to the provisions set forth in this Schedule. In accordance with the 409A Guidance, these provisions are only intended to preserve the rights and features of the "grandfathered" deferrals and are, therefore, not intended to "materially modify" any aspect of such rights and features. Provisions of this Schedule should be so construed whenever necessary or appropriate. Provisions in this Schedule shall only be amended in accordance with this Schedule's terms.

ARTICLE II
Definitions

For purposes of this Schedule, the following terms shall have the following meanings unless a different meaning is plainly required by the context:

2.1 "***Account***" shall mean the account or accounts established and maintained by an Employing Company to reflect the interest of a Participant in the Plan solely pursuant to the terms of this Schedule resulting from a Participant's deferral of Compensation and/or Incentive Pay and adjustments thereto to reflect income, gains, losses, and other credits or charges. The Account amount is attributable to those deferrals which are not subject to Section 409A of the Code. Charges to Participant's Accounts for distributions shall be posted as of the date the Account is valued for distribution.

2.2 "***Change in Control Benefits Protection Plan***" shall mean the Change in Control Benefits Protection Plan, as approved by the board of directors of Southern, as it may be amended from time to time in accordance with the provisions therein.

2.3 "***Closing Price***" shall mean the closing price on any trading day of a share of the Common Stock based on consolidated trading as defined by the Consolidated Tape Association and reported as part of the consolidated trading prices of New York Stock Exchange listed securities.

2.4 "***Committee***" shall mean the committee referred to in Section 3.1 of this Schedule.

2.5 "***Common Stock***" shall mean the common stock of Southern.

2.6 "***Company***" shall mean Southern Company Services, Inc.

2.7 "***Compensation***" shall mean the rate of an Employee's base wages or salary paid by any Employing Company to an Employee, including amounts contributed by an Employing Company to the Employee Savings Plan as Elective Employer Contributions, as said term is

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defined in the Employee Savings Plan, pursuant to the Employee's exercise of his or her deferral option made in accordance with Section 401(k) of the Code, amounts contributed by an Employing Company to the Employee Savings Plan as catch-up contributions pursuant to the Employee's exercise of his deferral option made thereunder in accordance with the requirements of Section 414(v) of the Code, and amounts contributed by an Employing Company to The Southern Company Flexible Benefits Plan on behalf of the Employee pursuant to his or her salary reduction election under such plan; but disregarding overtime and any reimbursements to an Employee paid by any Employing Company including, but not limited to, reimbursements for such items as moving expenses, automobile expenses, tax preparation expenses, travel and entertainment expenses, and health and life insurance premiums.

2.8 "***Deferral Election***" shall mean the Participant's election to defer a portion of his or her Compensation and/or Incentive Pay pursuant to Article V of the main body of the Plan.

2.9 "***Distribution Election***" shall mean the election under Article VII of this Schedule, pursuant to which a Participant elects the distribution of the balance of his or her Account to be made in either a lump sum or in up to ten (10) annual installments following the Participant's death, disability, retirement, or other termination of Employment with an Employing Company.

2.10 "***Employee Savings Plan***" shall mean The Southern Company Employee Savings Plan, as amended from time to time.

2.11 "***Employee Stock Ownership Plan***" shall mean The Southern Company Employee Stock Ownership Plan, as amended from time to time.

2.12 "***Employing Company***" shall mean the Company, or any affiliate or subsidiary (direct or indirect) of Southern Company, which the board of directors of the Company may from time to time determine to bring under the Plan and which shall adopt the Plan, and any successor of any of them. The Employing Companies are set forth in Appendix A of the Plan, as may be amended from time to time.

2.13 "***Exchange Act***" shall mean the Securities Exchange Act of 1934, as amended.

2.14 "***Incentive Pay***" shall mean such short-term incentive pay as the Committee shall permit to be deferred under the Plan for any Plan Year.

2.15 "***Investment Election***" shall mean the Participant's election to have his or her deferred Compensation or Incentive Pay invested pursuant to Section 6.1 or Section 6.2 of this Schedule.

2.16 "***Participant***" shall mean for purposes of this Schedule an Employee or former employee of an Employing Company who has an unpaid Account balance governed by the terms of this Schedule upon his or her death, disability, retirement, or other termination of employment with an Employing Company.

2.17 "***Plan***" shall mean the Southern Company Deferred Compensation Plan, amended and restated as of January 1, 2025 which includes this Schedule, as may be further amended from time to time.

2.18 "***Plan Year***" shall mean the calendar year.

2.19 "***Southern***" shall mean The Southern Company, its successors and assigns.

2.20 "***Trust***" shall mean the Southern Company Deferred Compensation Trust.

2.21 "***Valuation Date***" shall mean each trading day of the New York Stock Exchange, or any successor national exchange on which the Common Stock is traded and with respect to which a Closing Price may be determined.

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Where the context requires, the definitions of all terms set forth in the Pension Plan, the Employee Savings Plan, and the Employee Stock Ownership Plan shall apply with equal force and effect for purposes of interpretation and administration of the Plan, unless said terms are otherwise specifically defined in the Plan. Words in the masculine gender shall include the feminine and neuter genders, words in the singular shall include the plural, and words in the plural shall include the singular.

ARTICLE III
Administration of Schedule

3.1 Article III of the main body of the Plan is herein incorporated into this Schedule by reference. Any amendment to Article III of the main body of the Plan shall operate as amendment to this Article III of the Schedule.

ARTICLE IV
Eligibility

4.1 For so long as an Employee has an Account balance governed by this Schedule, he or she shall be a Participant in the Plan for purposes of this Schedule, and such Account balance shall be maintained and administered solely in accordance with the terms of this Schedule.

ARTICLE V
Deferral Election

5.1 No new deferral elections may be made which are subject to this Schedule.

ARTICLE VI
Participants' Accounts

6.1 On the last business day of each month, the Account of each Participant electing in a manner prescribed by the Committee to invest his or her deferred Compensation and/or Incentive Pay for a Plan Year in accordance with this Section 6.1 shall be credited by the Employing Company with a deemed amount equal to the monthly equivalent of the per annum prime rate of interest as published by the Wall Street Journal as the base rate on corporate loans posted as of the last business day of each month by at least seventy five (75%) percent of the United States' largest banks, compounded monthly on any Account balance so invested until such balance is fully distributed.

6.2 The designated portion of the Account of each Participant electing in a manner prescribed by the Committee to invest his or her deferred Compensation and/or Incentive Pay for a Plan Year in accordance with this Section 6.2 shall be credited on the effective date of investment with the deemed number of shares (including fractional shares) of Common Stock which could have been purchased on such date with the dollar amount of such deferral, based upon the Common Stock's Closing Price on the Valuation Date coincident with the date of investment. As of the date on which occurs the payment of dividends on the Common Stock, if any, there shall be credited with respect to the deemed number of shares of Common Stock in the Participant's Account on the applicable dividend record date such additional deemed shares (including fractional shares) of Common Stock as follows:

(a) In the case of cash dividends, such additional deemed shares as could be purchased at the Closing Price on the Valuation Date coincident with the dividend payment date with the dividends which would have been payable on the deemed number of shares previously credited to the Participant's Account as of the dividend record date;

(b) In the case of dividends payable in property other than cash or Common Stock, such additional deemed shares as could be purchased at the Closing Price on the Valuation Date coincident with the dividend payment date with the fair market value of the property which would have been payable on the deemed number of shares previously credited to the Participant's Account as of the dividend record date; or

(c) In the case of dividends payable in Common Stock, such additional deemed shares as would have been payable on the deemed number of shares previously credited to the Participant's Account as of the dividend record date.

6.3 The Participant may transfer in accordance with procedures prescribed by the Committee all or a portion of his Account between investment options. Any such transfer shall constitute an Investment Election as to the amount transferred and shall be effective immediately upon

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transfer. The timing of transfers between investment options, the procedures for transfer, and the valuation of transferred Accounts or portions of Accounts shall be determined by the Committee.

6.4 The Committee shall issue a report at least annually to each Participant holding an Account, setting forth at least the following:

(a) with respect to amounts invested under Section 6.1 hereof, as of the last day of the Plan Year, the Account Balance, the dollar amount of deferrals, and earnings thereon, and

(b) with respect to amounts invested under Section 6.2 hereof, the Closing Price of shares of Common Stock credited to each Participant's Account as of the Valuation Date coincident with the last business day of the Plan Year, the total number of deemed shares of Common Stock (and fractions thereof), and the total value of the Participant's deemed investment in Common Stock as of such Valuation Date.

ARTICLE VII

Account Distribution

7.1 (a) When a Participant retires or terminates his or her employment with an Employing Company, he or she shall be entitled to receive in cash an amount equal to the dollar amount of any deferrals and any amounts in lieu of interest thereon credited to his or her Account under Section 6.1 hereof, and the dollar value of the product of the Closing Price multiplied by the number of deemed shares of Common Stock (and fractions thereof) credited to his or her Account in accordance Section 6.2 hereof, determined as of the date the Account is valued for distribution. If such date is a non-business day, the Account shall be valued as of the next business day. Such amounts shall be paid in accordance with the Participant's most recent Distribution Election effective in accordance with Section 7.4. No portion of a Participant's Account shall be distributed in Common Stock.

(b) The transfer by a Participant between subsidiaries or affiliates of Southern shall not be deemed to be a termination of employment with an Employing Company for purposes of the Plan.

7.2 In the event that a Participant's most recent Distribution Election effective in accordance with Section 7.4 is to receive a lump-sum distribution of his or her Account, the dollar amount determined under Section 7.1 hereof shall be paid to the Participant not later than sixty (60) days following the date on which the Participant's termination of employment occurs, or as soon as reasonably practicable thereafter.

7.3 In the event that a Participant's most recent Distribution Election effective in accordance with Section 7.4 is to receive the distribution of his or her Account in annual installments, the first payment shall be made not later than sixty (60) days following the date on which the Participant's termination of employment occurs, or as soon as reasonably practicable thereafter, and shall be in an amount equal to the dollar balance in the Participant's Account determined under Section 7.1 hereof, divided by the number of annual installments elected. Subsequent annual installments shall be in an amount equal to the dollar value of the Participant's Account determined under Section 7.1 hereof divided by the number of the remaining annual payments, and shall be paid as soon as practicable following each anniversary of the initial payment date until the balance of the Participant's Account is paid in full.

7.4 The Participants' initial Distribution Elections may not be revoked and shall govern the distribution of the Participants' Accounts. Notwithstanding the foregoing, and except as otherwise provided herein, the Committee may, in its sole discretion, upon application by a Participant, accept an amended Distribution Election from a Participant provided the election is made not later than the 366th day prior to a distribution of such Participant's Account in accordance with the terms of the Plan; provided further, however, that any Participant who is required to file reports pursuant to Section 16(a) of the Securities and Exchange Act of 1934, as amended, with respect to equity securities of Southern shall not be permitted to amend his or her Distribution Election during any time period for which such Participant is required to file any such reports with respect to the portion of his or her Account invested in accordance with the provisions of Section 6.2 of this Schedule, unless the Committee in its sole discretion shall determine otherwise.

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7.5 Upon the death of a Participant prior to the complete distribution of his or her Account, the unpaid Account balance shall be paid in the sole discretion of the Committee (a) in a lump sum to the Participant's designated beneficiary within sixty (60) days following the date on which the Committee is provided evidence of the Participant's death (or as soon as reasonably practicable thereafter) or (b) in accordance with the Distribution Election made by such Participant. In the event a beneficiary designation is not on file or the designated beneficiary is deceased or cannot be located, payment will be made to the Participant's estate.

7.6 Beneficiary designations may be changed by the Participants at any time without the consent of any prior beneficiary.

7.7 Upon the total disability of a Participant, as determined by the Social Security Administration, prior to the complete distribution of his or her Account, the unpaid balance of his or her Account shall be paid in the sole discretion of the Committee (a) in a lump sum to the Participant or his or her legal representative within sixty (60) days following the date on which the Committee receives notification of the determination of disability by the Social Security Administration (or as soon as reasonable practicable thereafter) or (b) in accordance with the Participant's Deferral Election.

7.8 Upon application made by a Participant, his or her designated beneficiary, or an authorized legal representative, the Committee may in its sole discretion determine to accelerate payments or, in the event of death or total disability (as determined by Social Security Administration), may extend or otherwise make payments in a manner different from the manner in which such payment would otherwise be made under the Participant's Deferral Election in the absence of such determination.

7.9 In the event a Participant who is employed on or after January 1, 1999 with Southern or one of its Subsidiaries (as defined in the Change in Control Benefits Protection Plan) disputes the calculation of his Account or payment of amounts due under the terms of this Plan, such Participant has recourse against the Company, the Employing Company by which Participant is employed, if different, the Plan, and the Trust for the payment of benefits to the extent the Trust so provides.

7.10 The provisions of the Change in Control Benefit Benefits Protection Plan are incorporated herein by reference to determine the occurrence of a Change in Control or Funding Change in Control (as such terms are defined in the Change in Control Benefits Protection Plan), the benefits to be provided hereunder, and the funding of the Trust in such event. Any modifications to the Change in Control Benefits Protection Plan are likewise incorporated herein.

ARTICLE VIII

Miscellaneous Provisions

8.1 Except for Section 8.3 of the main body of the Plan, Article VIII is hereby incorporated by reference into this Schedule. Any amendment to Article VIII of the main body of the Plan shall operate as an amendment to this Article VIII of the Schedule except that Section 8.2 below shall set forth the sole method for amending and/or terminating this Schedule.

8.2 This Schedule may be amended, modified, or terminated by the Board of Directors in its sole discretion at any time and from time to time by resolution expressly modifying this Schedule; provided, however, that (a) Section 7.10 of this Schedule may not be amended following a Change in Control (as defined in the Change in Control Benefits Protection Plan), (b) no such amendment, modification, or termination shall impair any rights to any amounts which have been earned or deferred under the Plan prior to such amendment, modification, or termination and/or (c) Article III and Section 8.1 of this Schedule may be amended in accordance with their terms. Payment in full in cash of the amount credited to a Participant's Account governed by this Schedule as of the date of any amendment, modification, or termination of the Plan shall not be deemed to be an impairment of the Participant's rights under the Plan. It is the Company's intent that any modification to this Schedule shall not constitute nor shall it be interpreted to be a "material modification" of any right or feature of this Schedule as such term is defined under the 409A Guidance.

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Exhibit 10(a)13

NINTH AMENDMENT
TO THE
SOUTHERN COMPANY
EMPLOYEE SAVINGS PLAN

WHEREAS, Southern Company Services, Inc. adopted the latest amendment and restatement of The Southern Company Employee Savings Plan ("Plan"), effective as of January 1, 2018;

WHEREAS, pursuant to Section 15.1 of the Plan, the Southern Company Employee Savings Plan Committee ("Administrative Committee") may amend the Plan, provided the amendment either (a) does not involve a substantial increase in cost to any Employing Company, or (b) is necessary, proper, or desirable in order to comply with applicable laws or regulations enacted or promulgated by any federal or state governmental authority and to maintain the qualified status of the Plan; and

WHEREAS, the Administrative Committee, in its settlor capacity, desires to amend the Plan to provide that (i) provide forfeitures shall be used first to pay administrative expenses of the Plan, with any remaining forfeitures applied toward funding Employing Company contributions or other permitted purposes; (ii) administrative expenses shall be paid by the Plan and the Trust, unless the Company or the Employing Companies elect to pay such expenses; and (iii) the maximum dollar limit on catch-up contributions for cessation of participation for employees of Central Valley Gas Storage, L.L.C. who are no longer Employees due to the divestiture that occurred on September 22, 2023, and provide for full vesting for the Accounts of such employees; (ii) Eligible Participants ages 60-63 will increase, the mandatory distribution limit for small Account balances from $5,000 to $7,000, as permitted under in accordance with the SECURE 2.0 Act of 2022; and (iii) provide for Qualified Birth or Adoption Distributions, as permitted under the Setting Every Community Up for Retirement Enhancement Act of 2019 (the "SECURE Act"). 2022.

NOW, THEREFORE, pursuant to resolutions adopted on July 30, 2021; November 16, 2022; and October 23, 2023 December 2, 2024, the Administrative Committee hereby amends the Plan as follows, effective as specified below:

1.

Effective as of September 22, 2023 December 1, 2024, Section 3.7 4.3(a) of the Plan is hereby amended by adding deleting the following last sentence thereof and replacing it with the following:

Any Employer Matching Contributions forfeited pursuant to this subsection (a) shall first be used to pay administrative expenses of the Plan in accordance with Section 13.12, and to the end thereof: extent any such forfeitures remain, then applied, subject to Section 6.1, toward funding Employing Company contributions (for the Plan Year immediately following the Plan Year to which such forfeited Employer Matching Contributions relate) or for other permitted purposes, such as restoring forfeited benefits.

(j) Central Valley Gas Storage, L.L.C. 2.

(1) Cessation of Participation. Effective as of September 22, 2023 December 1, 2024, (i) Central Valley Gas Storage, L.L.C. Section 4.5(b)(1) of the Plan is hereby amended by deleting the last sentence thereof and its direct and indirect subsidiaries will cease replacing it with the following:

Any Employer Matching Contributions forfeited pursuant to this Subsection (b)(1) shall first be affiliated companies of Southern Company Gas for purposes of determining Employing Company status under the Plan; and (ii) Participants who cease to be Employees due to the sale of Central Valley Gas Storage, L.L.C. will cease to be eligible to actively participate in the Plan.

(2) Vesting Acceleration. Effective as of September 22, 2023, Participants who cease to be Employees due to the sale of Central Valley Gas Storage, L.L.C. will be deemed to be fully vested in their Accounts for all purposes hereunder.

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2.

Effective as of January 1, 2024, Sections 12.1(b), 12.2, 12.3, 12.8(b), and 12.9 used to pay administrative expenses of the Plan are hereby amended by replacing "$5,000" in accordance with "$7,000" in each place Section 13.12, and to the extent any such dollar amount appears. forfeitures remain, then applied, subject to Section 6.1, toward funding Employing Company contributions (for the Plan Year immediately following the Plan Year to which such forfeited Employer Matching Contributions relate) or for other permitted purposes, such as restoring forfeited benefits .

3.

Effective as of August 1, 2021 January 1, 2025, Article XII Section 4.11 of the Plan is hereby amended by adding deleting the following first sentence thereof and replacing it with the following:

All Eligible Participants who will have attained age fifty (50) before the close of the taxable year shall be eligible to make Catch-up Contributions and Catch-up Roth Contributions in accordance with, and subject to the end thereof:

12.14 Qualified Birth or Adoption Distributions.

(a) Eligible Adoptee. For purposes of this section, an "Eligible Adoptee" means any individual (other than a child of the Participant's spouse) who (1) has not attained age 18 or (2) is physically or mentally incapable of self-support. For purposes of this Section 12.14(a), an individual shall be considered "physically or mentally incapable of self-support" if such person is disabled within the meaning limitations of, Code Section 72(m)(7).414(v), including the adjusted dollar amount described in Code Section 414(v)(2)(E) in the case of an Eligible Participant who will have attained age sixty (60) but will not have attained age sixty-four (64) before the close of the taxable year.

(b) Eligibility. 4.

Effective as of August 1, 2021 December 1, 2024, notwithstanding Section 13.11 of the Plan is hereby amended by deleting the first sentence thereof and replacing it with the following:

Members of the Administrative Committee shall be reimbursed as provided in Section 13.12 for reasonable expenses they may individually or collectively incur in the performance of their duties.

5.

Effective as of December 1, 2024, Section 13.12 of the Plan is hereby amended by deleting such section in its entirety and replacing it with the following:

13.12 Expenses of Plan and Trust Fund. The expenses of administration of the Plan and the Trust Fund, including all reasonable fees of the Trustee, auditors, and counsel, and any other Plan provisions restricting withdrawals prior reasonable administrative expenses, will be paid out of the Trust Fund to severance the extent possible, consistent with Section 14.1 herein, unless the Company or the Employing Companies elect (in their sole discretion) to pay such expenses. Such expenses may be paid from employment, the Trust Fund either directly or through reimbursement of the Company or the Employing Companies. Any expenses directly related to the investments of the Trust Fund, such as stock transfer taxes, brokerage

commissions, or other charges incurred in the acquisition or disposition of such investments, shall be paid from the Trust Fund (or from the particular Investment Fund to which such fees or expenses relate) and shall be deemed to be part of the cost of such securities or deducted in computing the proceeds therefrom, as the case may be. Investment management fees for the Investment Funds shall be paid from the particular Investment Fund to which they relate. In the event the Company or an Employing Company pays investment management fees directly, the Company or such Employing Company shall be reimbursed for such fees from the particular Investment Fund to which they relate, unless the Company or the Employing Company, as the case may be, elects not to be reimbursed for such expenses. Certain reasonable expenses incurred by a Participant, may take a distribution of up to $5,000 from his vested Account balance during the one-year period beginning including recordkeeping fees and any taxes on the date on which the child of the Participant is born any assets held or the legal adoption by the Participant of an Eligible Adoptee is finalized (a "Qualified Birth or Adoption Distribution"). This $5,000 limit shall be reduced by any Qualified Birth or Adoption Distributions previously income received by the Trustee and transfer taxes on the transfer of Common Stock from the Trustee to a Participant with respect to or his Beneficiary, shall be charged appropriately against the same child or Eligible Adoptee under this Plan or any other similar distribution under any other plan maintained Accounts of Participants as the Administrative Committee shall determine. Any expenses paid by the Company or any Affiliated Employer. For pursuant to Section 13.11 and this Section 13.12 shall be subject to reimbursement by other Employing Companies of their proportionate shares of such expenses as determined by the avoidance Administrative Committee.

6.

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Effective as of doubt, (1) if each parent December 1, 2024, Section 17.5(b) of the child or Eligible Adoptee Plan is a Participant hereby amended by deleting the first sentence thereof and replacing it with the following:

If none of the persons described in (a) above, can be located, then the benefit payable under the Plan each parent may receive a Qualified Birth or Adoption Distribution with respect shall be forfeited and shall first be used to such child or Eligible Adoptee, and (2) each Participant is entitled to receive Qualified Birth or Adoption Distributions with respect to pay administrative expenses of the birth of more than one child or the adoption of more than one Eligible Adoptee. For purposes of Code Sections 401(a)(31), 402(f), and 3405, a Qualified Birth or Adoption Distribution shall not be treated as an eligible rollover distribution. In order to be eligible to receive a Qualified Birth or Adoption Distribution under this Section 12.14(b), the Participant must certify that he or she is eligible for such Qualified Birth or Adoption Distribution Plan in accordance with the Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE Act"), in a form that is satisfactory Section 13.12, and to the Administrative Committee extent any such forfeitures remain, then applied to reduce future Employer Matching Contributions or its delegate.for other permitted purposes, such as restoring forfeited benefits.

(c) Rollover. A Participant who receives a Qualified Birth or Adoption Distribution from the Plan may, while eligible to make Rollover Contributions under the Plan, make one or more contributions in an aggregate amount not to exceed the amount of such Qualified Birth or Adoption Distribution to this Plan as though such contribution were a Rollover Contribution, subject to and in accordance with any timing restrictions or other requirements under applicable Treasury Department guidance.

(d) Reliance. In determining whether a Participant is eligible for a Qualified Birth or Adoption Distribution, the Administrative Committee may rely on the Participant's certification pursuant to Section 12.14(b) that the Participant is eligible for such Qualified Birth or Adoption Distribution in accordance with the SECURE Act, unless the Administrative Committee has actual knowledge that is contrary to the representation.

4. 7.

Except as amended by this Eighth Ninth Amendment, the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the Administrative Committee, through its authorized representative, has adopted this Eighth Ninth Amendment to The Southern Company Employee Savings Plan, as amended and restated as of January 1, 2018, this 13th 16thday of December, 2023. 2024.

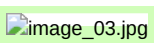
EMPLOYEE SAVINGS PLAN COMMITTEE

By: /s/ /s/James M. Garvie

Name: James M. Garvie

Its: Chairperson

Exhibit 19(a)



Policy Statement: This policy sets forth rules to follow with respect to securities trading and pre-clearance.

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Policy Scope: This policy applies to all directors, employees, and Related Persons.It may also be determined that other persons should be subject to this policy, such as contractors or consultants who have access to Material Non-Public information.

Policy Definitions:

Company – includes The Southern Company and its subsidiaries.

Securities – includes, but is not limited to, stocks, bonds and other forms of corporate equity or indebtedness, as well as stock options.

Related Person – includes: i) a spouse, minor children and anyone else living in the household of any director or employee of the Company; ii) any family members whose transactions are directed by or are subject to such director's or employee's influence and control; iii) any partnership in which such director or employee is a general partner; iv) trusts of which such director or employee is a trustee; v) estates of which such director or employee is an executor; and vi) any other equivalent legal entities that such director or employee controls.

Material – Information is Material if a reasonable investor would consider it important in the overall mix of information available in arriving at a decision to buy, sell or retain securities of a company. Examples of Non-Public information that might be considered Material information include:

- More than a single month of earnings information each quarter for Southern Company consolidated;
- Dividend increases or decreases;
- Redemption or repurchase of securities;
- Significant changes in previously announced earnings guidance;
- Merger, acquisition or joint venture proposals;
- Significant asset impairments;
- Purchases or sales of substantial assets; or
- Significant developments in rate cases, major litigation or major construction projects.

This is not an all-inclusive list, and other types of information may be Material information depending upon the circumstances.

Non-Public – Information is Non-Public if it is not available to the general public. For information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, newswire services, previously announced public conference calls or public disclosure documents that are filed with the U.S. Securities and Exchange Commission ("SEC") (e.g., Form 10-Q, Form 10-K or Form 8-K).

In addition, even after a public announcement of Material information, it is still necessary to allow the investing public sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until after the close of business on the day the information is released. If, for example, the Company were to make an announcement on Monday afternoon, a director, employee or Related Person should not trade in Securities of the Company until Tuesday morning.

Policy Requirements:

Restrictions on Securities Trading
No director, employee or Related Person of the Company shall buy or sell Securities of the Company, any of its affiliates or any other company, such as competitors, suppliers or business partners, based on or while in possession of Material Non-Public information about such entity.

Restrictions on "Tipping"
Directors, employees and Related Persons have an obligation to maintain the confidentiality of confidential information of the Company, including Material Non-Public information, and may not disclose such confidential information for the purpose of "tipping" or passing along to others who may trade in Securities of the Company.

Restrictions on Hedging and Pledging
Directors, employees and Related Persons are also prohibited from purchasing or selling, or making any offer to purchase or sell, derivative securities relating to Securities of the Company, whether or not issued by the Company. Examples of derivative securities are exchange-traded options to purchase or sell Securities of the Company (so called "puts" and "calls") or financial instruments that are designed to hedge or offset any decrease in the market value of Securities of the Company (including but not limited to prepaid variable forward contracts, equity swaps, collars and exchange funds).

Directors and executive officers of The Southern Company are prohibited from holding Securities of the Company in a margin account or otherwise pledging Securities of the Company as collateral for a loan.

Rule 10b5-1 Trading Plans
It is an exception to the trading prohibitions of this policy if a trade occurs under a written plan that has been pre-approved by the Office of the General Counsel and that meets the requirements of SEC Rule 10b5-1(c).

Quarterly Trading Restriction
The persons designated by the Office of the General Counsel as subject to the quarterly trading restriction may not conduct any transactions involving Securities of the Company during a "Blackout Period" beginning on the sixth business day in the last month of each fiscal quarter and ending on the first

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business day following the date of the public release of the Company's earnings results for that quarter. In other words, these persons may only conduct transactions in Securities of the Company during the "Window Period" beginning on the first business day following the public release of the Company's quarterly earnings and ending at the close of business on the fifth business day in the last month of each fiscal quarter, provided that such persons are not in possession of Material Non-Public information.

Pre-Clearance Requirements

Any transaction involving the purchase, sale or transfer of Securities of the Company by directors or executive officers must be "pre-cleared" through the Office of the General Counsel prior to the execution of such transaction, unless the trade occurs under a Rule 10b5-1 trading plan. The Office of the General Counsel may also establish additional pre-clearance requirements.

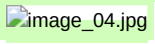
Policy Enforcement and Consequences: All directors, employees and Related Persons are responsible for complying with this policy. Managers are responsible for consistently communicating and enforcing this policy. Violations of this policy will lead to management action, which could include discipline up to and including termination.

In addition, the trading of Securities based upon or while in the possession of Material Non-Public information is a violation of the Securities Exchange Act of 1934 and the Insider Trading and Securities Fraud Enforcement Act of 1988 and is subject to both civil and criminal penalties. The federal securities laws also impose potential liability on companies and management if they fail to take appropriate steps to prevent insider trading by personnel of the Company.

In all cases, the responsibility for determining whether an individual is in possession of Material Non-Public information rests with the individual. Any action on the part of The Company, the Office of the General Counselor any other employee in accordance with this policy does not constitute legal advice and does not protect an individual from liability under applicable securities laws.

Contact for Questions: There are Frequently Asked Questions that relate to this policy. If you have any questions on this policy, please call the Office of the General Counsel.

Exhibit 19(b)



Prohibition of Securities Trading Policy

Policy Statement: This policy sets forth rules to follow with respect to securities tradingand pre-clearance.

Policy Scope: This policy applies to all directors, employees, and RelatedPersons.It may also be determined that other persons should be subject to this policy, such as contractors or consultants who have access to Material Non-Public information.

Policy Definitions:

Company – includes The Southern Company and its subsidiaries, including Alabama Power Company.

Securities – includes, but is not limited to, stocks, bonds and other forms of corporate equity or indebtedness, as well as stock options.

Related Person – includes: i) a spouse, minor children and anyone else living in the household of any director or employee of the Company; ii) any family members whose transactions are directed by or are subject to such director's or employee's influence and control; iii) any partnership in which such director or employee is a general partner; iv) trusts of which such director or employee is a trustee; v) estates of which such director or employee is an executor; and vi) any other equivalent legal entities that such director or employee controls.

Material – Information is Material if a reasonable investor would consider it important in the overall mix of information available in arriving at a decision to buy, sell or retain securities of a company. Examples of Non-Public information that might be considered Material information include:

- More than a single month of earnings information each quarter for Southern Company consolidated;
- Dividend increases or decreases;
- Redemption or repurchase of securities;
- Significant changes in previously announced earnings guidance;
- Merger, acquisition or joint venture proposals;

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- Significant asset impairments;
- Purchases or sales of substantial assets; or
- Significant developments in rate cases, major litigation or major construction projects.

This is not an all-inclusive list, and other types of information may be Material information depending upon the circumstances.

Non-Public – Information is Non-Public if it is not available to the general public. For information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, newswire services, previously announced public

conference calls or public disclosure documents that are filed with the U.S. Securities and Exchange Commission ("SEC") (e.g., Form 10-Q, Form 10-K or Form 8-K).

In addition, even after a public announcement of Material information, it is still necessary to allow the investing public sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until after the close of business on the day the information is released. If, for example, the Company were to make an announcement on Monday afternoon, a director, employee or Related Person should not trade in Securities of the Company until Tuesday morning.

Policy Requirements:

Restrictions on Securities Trading
No director, employee or Related Person of the Company shall buy or sell Securities of the Company, any of its affiliates or any other company, such as competitors, suppliers or business partners, based on or while in possession of Material Non-Public information about such entity.

Restrictions on "Tipping"
Directors, employees and Related Persons have an obligation to maintain the confidentiality of confidential information of the Company, including Material Non-Public information, and may not disclose such confidential information for the purpose of "tipping" or passing along to others who may trade in Securities of the Company.

Restrictions on Hedging and Pledging
Directors, employees and Related Persons are also prohibited from purchasing or selling, or making any offer to purchase or sell, derivative securities relating to Securities of the Company, whether or not issued by the Company. Examples of derivative securities are exchange-traded options to purchase or sell Securities of the Company (so called "puts" and "calls") or financial instruments that are designed to hedge or offset any decrease in the market value of Securities of the Company (including but not limited to prepaid variable forward contracts, equity swaps, collars and exchange funds).

Directors and executive officers of The Southern Company are prohibited from holding Securities of the Company in a margin account or otherwise pledging Securities of the Company as collateral for a loan.

Rule 10b5-1 Trading Plans
It is an exception to the trading prohibitions of this policy if a trade occurs under a written plan that has been pre-approved by the SCS office of General Counsel and that meets the requirements of SEC Rule 10b5-1(c).

Quarterly Trading Restriction
The persons designated by the Alabama Power Company Corporate Secretary's Office as subject to the quarterly trading restriction may not conduct any transactions involving Securities of the Company during a "Blackout Period" beginning on the sixth business day in the last month of each fiscal quarter and ending on the first business day following the date of the public release of the Company's earnings results for that quarter. In other words, these persons may only conduct transactions in Securities of the Company during the "Window Period" beginning on the first business day following the public release of the Company's quarterly earnings and ending at the close of business on the fifth business day in the last month of each fiscal quarter, provided that such persons are not in possession of Material Non-Public information.

Pre-Clearance Requirements
Any transaction involving the purchase, sale or transfer of Securities of the Company by directors or executive officers, and others identified by Alabama Power Company, must be "pre-cleared" through the Alabama Power Company Corporate Secretary's Office prior to the execution of

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such transaction, unless the trade occurs under a Rule 10b5-1 trading plan. The Alabama Power Corporate Secretary's Office may also establish additional pre-clearance requirements.

Policy Enforcement and Consequences: All directors, employees and Related Persons are responsible for complying with this policy. Managers are responsible for consistently communicating and enforcing this policy. Violations of this policy will lead to management action, which could include discipline up to and including termination.

In addition, the trading of Securities based upon or while in the possession of Material Non-Public information is a violation of the Securities Exchange Act of 1934 and the Insider Trading and Securities Fraud Enforcement Act of 1988 and is subject to both civil and criminal penalties. The federal securities laws also impose potential liability on companies and management if they fail to take appropriate steps to prevent insider trading by personnel of the Company.

In all cases, the responsibility for determining whether an individual is in possession of Material Non-Public information rests with the individual. Any action on the part of Alabama Power Company, the Alabama Power Company Corporate Secretary's Office, the SCS office of General Counsel or any other employee in accordance with this policy does not constitute legal advice and does not protect an individual from liability under applicable securities laws.

Contact for Questions: There are Frequently Asked Questions that relate to this policy. If you have any questions on this policy, please call the Alabama Power Company Corporate Secretary's Office.

Exhibit 19(c)

Georgia Power CompanyProhibition of Securities TradingPolicy

image_02.jpg

Policy Statement: This policy sets forth rules to follow with respect to securities trading and pre-clearance.

Policy Scope: This policy applies to all directors, employees, and Related Persons.It may also be determined that other persons should be subject to this policy, such as contractors or consultants who have access to Material Non-Public information.

Policy Definitions:

Company – includes The Southern Company and its subsidiaries, including Georgia Power Company.

Securities – includes, but is not limited to, stocks, bonds and other forms of corporate equity or indebtedness, as well as stock options.

Related Person – includes: i) a spouse, minor children and anyone else living in the household of any director or employee of the Company; ii) any family members whose transactions are directed by or are subject to such director's or employee's influence and control; iii) any partnership in which such director or employee is a general partner; iv) trusts of which such director or employee is a trustee; v) estates of which such director or employee is an executor; and vi) any other equivalent legal entities that such director or employee controls.

Material – Information is Material if a reasonable investor would consider it important in the overall mix of information available in arriving at a decision to buy, sell or retain securities of a company. Examples of Non-Public information that might be considered Material information include:

- More than a single month of earnings information each quarter for Southern Company consolidated;
- Dividend increases or decreases;
- Redemption or repurchase of securities;
- Significant changes in previously announced earnings guidance;
- Merger, acquisition or joint venture proposals;
- Significant asset impairments;
- Purchases or sales of substantial assets; or
- Significant developments in rate cases, major litigation or major construction projects.

This is not an all-inclusive list, and other types of information may be Material information depending upon the circumstances.

Non-Public – Information is Non-Public if it is not available to the general public. For information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, newswire services, previously announced public conference calls or public disclosure documents that are filed with the U.S. Securities and Exchange Commission ("SEC") (e.g., Form 10-Q, Form 10-K or Form 8-K).

In addition, even after a public announcement of Material information, it is still necessary to allow the investing public sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until after the close of business on the day the information is released. If, for

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example, the Company were to make an announcement on Monday afternoon, a director, employee or Related Person should not trade in Securities of the Company until Tuesday morning.

Policy Requirements:

Restrictions on Securities Trading

No director, employee or Related Person of the Company shall buy or sell Securities of the Company, any of its affiliates or any other company, such as competitors, suppliers or business partners, based on or while in possession of Material Non-Public information about such entity.

Restrictions on "Tipping"

Directors, employees and Related Persons have an obligation to maintain the confidentiality of confidential information of the Company, including Material Non-Public information, and may not disclose such confidential information for the purpose of "tipping" or passing along to others who may trade in Securities of the Company.

Restrictions on Hedging and Pledging

Directors, employees and Related Persons are also prohibited from purchasing or selling, or making any offer to purchase or sell, derivative securities relating to Securities of the Company, whether or not issued by the Company. Examples of derivative securities are exchange-traded options to purchase or sell Securities of the Company (so called "puts" and "calls") or financial instruments that are designed to hedge or offset any decrease in the market value of Securities of the Company (including but not limited to prepaid variable forward contracts, equity swaps, collars and exchange funds).

Directors and executive officers of The Southern Company are prohibited from holding Securities of the Company in a margin account or otherwise pledging Securities of the Company as collateral for a loan.

Rule 10b5-1 Trading Plans

It is an exception to the trading prohibitions of this policy if a trade occurs under a written plan that has been pre-approved by the Office of the General Counsel and that meets the requirements of SEC Rule 10b5-1(c).

Quarterly Trading Restriction

The persons designated by the Office of the General Counsel as subject to the quarterly trading restriction may not conduct any transactions involving Securities of the Company during a "Blackout Period" beginning on the sixth business day in the last month of each fiscal quarter and ending on the first business day following the date of the public release of the Company's earnings results for that quarter. In other words, these persons may only conduct transactions in Securities of the Company during the "Window Period" beginning on the first business day following the public release of the Company's quarterly earnings and ending at the close of business on the fifth business day in the last month of each fiscal quarter, provided that such persons are not in possession of Material Non-Public information.

Pre-Clearance Requirements

Any transaction involving the purchase, sale or transfer of Securities of the Company by directors or executive officers must be "pre-cleared" through the Office of the General Counsel prior to the execution of such transaction, unless the trade occurs under a Rule 10b5-1 trading plan. The Office of the General Counsel may also establish additional pre-clearance requirements.

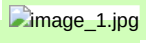
Policy Enforcement and Consequences: All directors, employees and Related Persons are responsible for complying with this policy. Managers are responsible for consistently communicating and enforcing this policy. Violations of this policy will lead to management action, which could include discipline up to and including termination.

In addition, the trading of Securities based upon or while in the possession of Material Non-Public information is a violation of the Securities Exchange Act of 1934 and the Insider Trading and Securities Fraud Enforcement Act of 1988 and is subject to both civil and criminal penalties. The federal securities laws also impose potential liability on companies and management if they fail to take appropriate steps to prevent insider trading by personnel of the Company.

In all cases, the responsibility for determining whether an individual is in possession of Material Non-Public information rests with the individual. Any action on the part of The Company, the Office of the General Counselor any other employee in accordance with this policy does not constitute legal advice and does not protect an individual from liability under applicable securities laws.

Contact for Questions: There are Frequently Asked Questionsthat relate to this policy. If you have any questions on this policy, please call the Office of the General Counsel.

Exhibit 19(d)



Prohibition of Securities Trading Policy

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Policy Statement: This policy sets forth rules to follow with respect to securities trading and pre-clearance.

Policy Scope: This policy applies to all directors, employees, and Related Persons.It may also be determined that other persons should be subject to this policy, such as contractors or consultants who have access to Material Non-Public information.

Policy Definitions:

Company – includes The Southern Company and its subsidiaries, including Mississippi Power Company.

Securities – includes, but is not limited to, stocks, bonds and other forms of corporate equity or indebtedness, as well as stock options.

Related Person – includes: i) a spouse, minor children and anyone else living in the household of any director or employee of the Company; ii) any family members whose transactions are directed by or are subject to such director's or employee's influence and control; iii) any partnership in which such director or employee is a general partner; iv) trusts of which such director or employee is a trustee; v) estates of which such director or employee is an executor; and vi) any other equivalent legal entities that such director or employee controls.

Material – Information is Material if a reasonable investor would consider it important in the overall mix of information available in arriving at a decision to buy, sell or retain securities of a company. Examples of Non-Public information that might be considered Material information include:

- More than a single month of earnings information each quarter for Southern Company consolidated;
- Dividend increases or decreases;
- Redemption or repurchase of securities;
- Significant changes in previously announced earnings guidance;
- Merger, acquisition or joint venture proposals;
- Significant asset impairments;
- Purchases or sales of substantial assets; or
- Significant developments in rate cases, major litigation or major construction projects.

This is not an all-inclusive list, and other types of information may be Material information depending upon the circumstances.

Non-Public – Information is Non-Public if it is not available to the general public. For information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, newswire services, previously announced public conference calls or public disclosure documents that are filed with the U.S. Securities and Exchange Commission ("SEC") (e.g., Form 10-Q, Form 10-K or Form 8-K).

In addition, even after a public announcement of Material information, it is still necessary to allow the investing public sufficient time to absorb the information. As a general rule, information should

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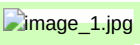

not be considered fully absorbed by the marketplace until after the close of business on the day the information is released. If, for example, the Company were to make an announcement on Monday afternoon, a director, employee or Related Person should not trade in Securities of the Company until Tuesday morning.

Policy Requirements:

Restrictions on Securities Trading

No director, employee or Related Person of the Company shall buy or sell Securities of the Company, any of its affiliates or any other company, such as competitors, suppliers or business partners, based on or while in possession of Material Non-Public information about such entity.

Restrictions on "Tipping"

Directors, employees and Related Persons have an obligation to maintain the confidentiality of confidential information of the Company, including Material Non-Public information, and may not disclose such confidential information for the purpose of "tipping" or passing along to others who may trade in Securities of the Company.

Restrictions on Hedging and Pledging

Directors, employees and Related Persons are also prohibited from purchasing or selling, or making any offer to purchase or sell, derivative securities relating to Securities of the Company, whether or not issued by the Company. Examples of derivative securities are exchange-traded options to purchase or sell Securities of the Company (so called "puts" and "calls") or financial instruments that are designed to hedge or offset any decrease in the market value of Securities of the Company (including but not limited to prepaid variable forward contracts, equity swaps, collars and exchange funds).

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Directors and executive officers of The Southern Company are prohibited from holding Securities of the Company in a margin account or otherwise pledging Securities of the Company as collateral for a loan.

Rule 10b5-1 Trading Plans
It is an exception to the trading prohibitions of this policy if a trade occurs under a written plan that has been pre-approved by the MPC Compliance Officer and that meets the requirements of SEC
Rule 10b5-1(c).

Quarterly Trading Restriction The persons designated by the MPC Compliance Officer as subject to the quarterly trading restriction may not conduct any transactions involving Securities of the Company during a "Blackout Period" beginning on the sixth business day in the last month of each fiscal quarter and ending on the first business day following the date of the public release of the Company's earnings results for that quarter. In other words, these persons may only conduct transactions in Securities of the Company during the "Window Period" beginning on the first business day following the public release of the Company's quarterly earnings and ending at the close of business on the fifth business day in the last month of each fiscal quarter, provided that such persons are not in possession of Material Non-Public information.

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 image_1.jpg

Pre-Clearance Requirements
Any transaction involving the purchase, sale or transfer of Securities of the Company by directors or executive officers must be "pre-cleared" through the MPC Compliance Officer prior to the execution of such transaction, unless the trade occurs under a Rule 10b5-1 trading plan. The MPC Compliance Officer may also establish additional pre-clearance requirements.

Policy Enforcement and Consequences: All directors, employees and Related Persons are responsible for complying with this policy. Managers are responsible for consistently communicating and enforcing this policy. Violations of this policy will lead to management action, which could include discipline up to and including termination.

In addition, the trading of Securities based upon or while in the possession of Material Non-Public information is a violation of the Securities Exchange Act of 1934 and the Insider Trading and Securities Fraud Enforcement Act of 1988 and is subject to both civil and criminal penalties. The federal securities laws also impose potential liability on companies and management if they fail to take appropriate steps to prevent insider trading by personnel of the Company.

In all cases, the responsibility for determining whether an individual is in possession of Material Non-Public information rests with the individual. Any action on the part of The Company, the MPC Compliance Officer or any other employee in accordance with this policy does not constitute legal advice and does not protect an individual from liability under applicable securities laws.

Contact for Questions: If you have any questions on this policy, please call the MPC Compliance Officer.

Exhibit 10(a)19 19(e)

image_0a.jpg

CONSULTING AGREEMENT

Policy Statement: This **CONSULTING AGREEMENT** ("Agreement") is made and entered into as of December 13, 2023 by and between Southern Company Services, Inc. (the "Company") and Thomas A. Fanning ("Consultant", and collectively with the Company the "Parties", or individually each a "Party").

WITNESSETH:

WHEREAS, the Company desires policy sets forth rules to retain Consultant to provide certain services to the Company, and Consultant desires to provide such services to the Company, all subject to the terms and conditions set forth herein.

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NOW THEREFORE, for and in consideration of the premises, the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. Engagement as an Independent Contractor.

The Company hereby agrees to engage Consultant as an independent contractor, and Consultant hereby accepts such engagement as an independent contractor, upon the terms and conditions set forth in this Agreement.

2. Term.

The term of this Agreement shall commence on January 1, 2024, and shall expire on December 31, 2024 ("Term"). By mutual consent, the parties may extend the Term of this Agreement by a written amendment that is signed by both parties.

3. Duties.

Consultant shall manage, perform and provide professional consulting services and advice ("Consulting Services") follow with respect to national security matters, securities trading and pre-clearance.

Policy Scope: This policy applies to all directors, employees, and Related Persons. It may also be determined that other persons should be subject to this policy, such as contractors or consultants who have access to Material Non-Public information.

Policy Definitions:

Company – includes The Southern Company and its subsidiaries, including cyber Southern Power.

Securities – includes, but is not limited to, stocks, bonds and physical threats, other forms of corporate equity or indebtedness, as well as stock options.

Related Person – includes: i) a spouse, minor children and energy policy issues anyone else living in the household of any director or employee of the Company; ii) any family members whose transactions are directed by or are subject to such director's or employee's influence and as control; iii) any partnership in which such director or employee is a general partner; iv) trusts of which such director or employee is a trustee; v) estates of which such director or employee is an executor; and vi) any other equivalent legal entities that such director or employee controls.

Material – Information is Material if a reasonable investor would consider it important in the overall mix of information available in arriving at a decision to buy, sell or retain securities of a company. Examples of Non-Public information that might be considered Material information include:

- More than a single month of earnings information each quarter for Southern Company consolidated;
- Dividend increases or decreases;
- Redemption or repurchase of securities;
- Significant changes in previously announced earnings guidance;
- Merger, acquisition or joint venture proposals;
- Significant asset impairments;
- Purchases or sales of substantial assets; or • Significant developments in rate cases, major litigation or major construction projects.

This is not an all-inclusive list, and other types of information may be mutually agreed Material information depending upon the circumstances.

Non-Public – Information is Non-Public if it is not available to the general public. For information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, newswire services, previously announced public conference calls or public disclosure documents that are filed with the U.S. Securities and Exchange Commission ("SEC") (e.g., Form 10-Q, Form 10-K or Form 8-K).

In addition, even after a public announcement of Material information, it is still necessary to allow the investing public sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the Chief Executive Officer ("CEO" marketplace until after the close of business on the day the information is released. If, for example, the Company were to make an announcement on Monday afternoon, a director, employee or Related Person should not trade in Securities of the Company until Tuesday morning.

Policy Requirements:

Restrictions on Securities Trading
No director, employee or Related Person of the Company shall buy or sell Securities of the Company, any of its affiliates or any other company, such as competitors, suppliers or business partners, based on or while in possession of Material Non-Public information about such entity.

Restrictions on " Tipping"
Directors, employees and Related Persons have an obligation to maintain the confidentiality of confidential information of the Company, including Material Non-Public information, and may not disclose such confidential information for the purpose of "tipping" or passing along to others who may trade in Securities of the

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Company.

Restrictions on Hedging and Pledging

Directors, employees and Related Persons are also prohibited from purchasing or selling, or making any offer to purchase or sell, derivative securities relating to Securities of the Company, whether or not issued by the Company. Examples of derivative securities are exchange-traded options to purchase or sell Securities of the Company (so called “puts” and “calls”) or financial instruments that are designed to hedge or offset any decrease in the market value of Securities of the Company (including but not limited to prepaid variable forward contracts, equity swaps, collars and exchange funds).

Directors and executive officers of The Southern Company (“Southern”) and Consultant are prohibited from time to time. Consultant’s work, on average, will not exceed 20 hours per month; provided, however, that Consultant shall not be required to work any minimum number of hours during a month to perform the duties outlined in this section. Consultant shall be available on an “on call” basis to consult by telephone and email correspondence and will attend meetings as needed. During the Term, Consultant agrees to promote the best interests holding Securities of the Company and to take no actions that in any way damage the public image a margin account or reputation otherwise pledging Securities of the Company or its affiliates or as collateral for a loan.

Rule 10b5-1 Trading Plans

It is an exception to knowingly assist, in any way, the trading prohibitions of this policy if a competitor trade occurs under a written plan that has been pre-approved by the Office of the Company. Nothing General Counsel and that meets the requirements of SEC Rule 10b5-1(c).

Quarterly Trading Restriction

The persons designated by the Office of the General Counsel as subject to the quarterly trading restriction may not conduct any transactions involving Securities of the Company during a “Blackout Period” beginning on the sixth business day in this Agreement shall restrict Consultant from serving as a Distinguished Fellow the last month of each fiscal quarter and ending on the first business day following the date of the public release of the Company’s earnings results for that quarter. In other words, these persons may only conduct transactions in Securities of the Company during the “Window Period” beginning on the first business day following the public release of the Company’s quarterly earnings and ending at the Georgia Institute close of Technology during business on the Term. fifth business day in the last month of each fiscal quarter, provided that such persons are not in possession of Material Non-Public information.

Pre-Clearance Requirements

Any transaction involving the purchase, sale or transfer of Securities of the Company by directors or executive officers must be “pre-cleared” through the Office of the General Counsel prior to the execution of such transaction, unless the trade occurs under a Rule 10b5-1 trading plan. The Office of the General Counsel may also establish additional pre-clearance requirements.

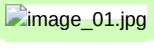
Policy Enforcement and Consequences: All directors, employees and Related Persons are responsible for complying with this policy. Managers are responsible for consistently communicating and enforcing this policy. Violations of this policy will lead to management action, which could include discipline up to and including termination.

In addition, the trading of Securities based upon or while in the possession of Material Non-Public information is a violation of the Securities Exchange Act of 1934 and the Insider Trading and Securities Fraud Enforcement Act of 1988 and is subject to both civil and criminal penalties. The federal securities laws also impose potential liability on companies and management if they fail to take appropriate steps to prevent insider trading by personnel of the Company.

In all cases, the responsibility for determining whether an individual is in possession of Material Non-Public information rests with the individual. Any action on the part of The Company, the Office of the General Counsel or any other employee in accordance with this policy does not constitute legal advice and does not protect an individual from liability under applicable securities laws.

Contact for Questions: There are Frequently Asked Questions that relate to this policy. If you have any questions on this policy, please call the Office of the General Counsel.

Exhibit 19(f)



Policy Statement:

This policy sets forth rules to follow with respect to securities trading and pre-clearance.

Policy Scope:

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This policy applies to all directors, employees, and Related Persons. It may also be determined that other persons should be subject to this policy, such as contractors or consultants who have access to Material Non-Public information.

Policy Definitions:

Company – includes The Southern Company and its subsidiaries, including Southern Company Gas.

Securities – includes, but is not limited to, stocks, bonds and other forms of corporate equity or indebtedness, as well as stock options.

Related Person – includes: i) a spouse, minor children and anyone else living in the household of any director or employee of the Company; ii) any family members whose transactions are directed by or are subject to such director's or employee's influence and control; iii) any partnership in which such director or employee is a general partner; iv) trusts of which such director or employee is a trustee; v) estates of which such director or employee is an executor; and vi) any other equivalent legal entities that such director or employee controls.

Material – Information is Material if a reasonable investor would consider it important in the overall mix of information available in arriving at a decision to buy, sell or retain securities of a company. Examples of Non-Public information that might be considered Material information include:

- More than a single month of earnings information each quarter for Southern Company consolidated;
- Dividend increases or decreases;
- Redemption or repurchase of securities;
- Significant changes in previously announced earnings guidance;
- Merger, acquisition or joint venture proposals;
- Significant asset impairments;
- Purchases or sales of substantial assets; or
- Significant developments in rate cases, major litigation or major construction projects

This is not an all-inclusive list, and other types of information may be Material information depending upon the circumstances.

Non-Public – Information is Non-Public if it is not available to the general public. For information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, newswire services, previously announced public conference calls or public disclosure documents that are filed with the U.S. Securities and Exchange Commission ("SEC") (e.g., Form 10-Q, Form 10-K or Form 8-K).

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4. Consultant as an Independent Contractor.

During In addition, even after a public announcement of Material information, it is still necessary to allow the Term, Consultant will at all times investing public sufficient time to absorb the information. As a general rule, information should not be and remain an independent contractor. Consultant will be free to exercise Consultant's own judgment as to considered fully absorbed by the manner and method marketplace until after the close of providing business on the Consulting Services to day the information is released. If, for example, the Company subject were to applicable laws and requirements reasonably imposed by the Company. Consultant acknowledges and agrees that, during the Term, Consultant will make an announcement on Monday afternoon, a director, employee or Related Person should not be treated as an employee trade in Securities of the Company until Tuesday morning.

Policy Requirements:

Restrictions on Securities Trading

No director, employee or Related Person of the Company shall buy or sell Securities of the Company, any of its affiliates for purposes of federal, state, local or foreign income tax withholding, nor unless otherwise specifically provided by law, for purposes of the Federal Insurance Contributions Act, the Social Security Act, the Federal Unemployment Tax Act or any Worker's Compensation law other company, such as competitors, suppliers or business partners, based on or while in possession of any state or country Material Non-Public information about such entity.

Restrictions on "Tipping"

Directors, employees and for purposes Related Persons have an obligation to maintain the confidentiality of benefits provided to employees confidential information of the Company, or any of its affiliates under any employee benefit plan. Consultant acknowledges including Material Non-Public information, and agrees that as an independent contractor, Consultant will be required to pay any applicable taxes on the fees paid to Consultant.

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5. Consulting Fee.

As payment may not disclose such confidential information for the Consulting Services rendered pursuant purpose of "tipping" or passing along to this Agreement, others who may trade in Securities of the Company.

Restrictions on Hedging and Pledging

Directors, employees and Related Persons are also prohibited from purchasing or selling, or making any offer to purchase or sell, derivative securities relating to Securities of the Company, shall pay, whether or not issued by the Company. Examples of derivative securities are exchange-traded options to purchase or sell Securities of the Company (so called "puts" and Consultant shall accept, a consulting fee "calls") or financial instruments that are designed to hedge or offset any decrease in the amount market value of Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00) for the Term (the "Consulting Fee"). The Consulting Fee will be paid in substantially equal installments on a monthly basis, on or before the 15th day Securities of the month following the month in which the Consulting Services Company (including but not limited to prepaid variable forward contracts, equity swaps, collars and exchange funds).

Directors and executive officers of The Southern Company are performed. The Company will reimburse Consultant for all reasonable documented expenses incurred by Consultant in the performance prohibited from holding Securities of the Consulting Services, Company in accordance with a margin account or otherwise pledging Securities of the Company's policies Company as collateral for a loan.

Rule 10b5-1 Trading Plans

It is an exception to the trading prohibitions of this policy if a trade occurs under a written plan that has been pre-approved by the Southern Company Gas (GAS) Office of the General Counsel and that meets the requirements of SEC Rule 10b5-1(c).

Quarterly Trading Restriction

The persons designated by the GAS Office of the General Counsel as subject to the approval quarterly trading restriction may not conduct any transactions involving Securities of the CEO Company during a "Blackout Period" beginning on the sixth business day in the last month of Southern.

6. Termination.

The parties to each fiscal quarter and ending on the Agreement may mutually agree in writing to terminate first business day following the Agreement prior to the expiration date of the Term. The Company may terminate the Agreement for cause if Consultant does not perform Consulting Services under this Agreement in a satisfactory manner that protects the business interests public release of the Company. Any remaining unpaid installments under Section 5 shall be forfeited by Consultant if the Agreement is terminated prior to the expiration Company's earnings results for that quarter. In other words, these persons may only conduct transactions in Securities of the Term. Company during the "Window Period" beginning on the first business day following the public release of the Company's quarterly earnings and ending at the close of business on the fifth business day in the last month of each fiscal quarter, provided that such persons are not in possession of Material Non-Public information.

Pre-Clearance Requirements

7. Confidential Information; Trade Secrets; Ownership Any transaction involving the purchase, sale or transfer of Work Product.

a. For purposes Securities of this Agreement, the following terms shall have the following respective meanings:

i. Confidential Information" shall mean all valuable, proprietary and confidential data, information, documents, or materials (whether oral, written, electronic, or otherwise) belonging to or pertaining to the Company by directors or any current or former subsidiaries or affiliates executive officers of Southern (collectively, "Southern Entities"), other than Trade Secrets (as defined below), that is generally known only to GAS must be "pre-cleared" through the Company and those GAS Office of its employees, independent contractors, the General Counsel

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clients or agents to whom such information must be confided for internal business purposes.

ii. "Entity or Entities" shall mean any person; business; individual; partnership; joint venture; agency; governmental agency, body, or subdivision; association; firm; corporation; limited liability company; or other entity of any kind.

iii. "Trade Secrets" shall mean the "trade secrets" of Southern Entities as defined under applicable laws.

iv. "Work Product" shall mean all work product, property, data, documentation, information or materials relating prior to the Southern Entities that were conceived, discovered, created, or developed by Consultant in performing execution of such transaction, unless the Consulting Services; for the avoidance of doubt, Work Product shall not include any work product,

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property, data, documentation, information or materials relating to or containing information deemed classified by trade occurs under a United States government agency for reasons of national security.

b. In recognition Rule 10b5-1 trading plan. The GAS Office of the need General Counsel may also establish additional pre-clearance requirements.

Policy Enforcement:

All directors, employees and Related Persons are responsible for complying with this policy. Managers are responsible for consistently communicating and enforcing this policy. Violations of this policy will lead to management action, which could include discipline up to and including termination.

In addition, the trading of Securities based upon or while in the possession of Material Non-Public information is a violation of the Securities Exchange Act of 1934 and the Insider Trading and Securities Fraud Enforcement Act of 1988 and is subject to both civil and criminal penalties. The federal securities laws also impose potential liability on companies and management if they fail to take appropriate steps to prevent insider trading by personnel of the Company.

In all cases, the responsibility for determining whether an individual is in possession of Material Non-Public information rests with the individual. Any action on the part of the Company, to protect its legitimate business interests, Confidential Information and Trade Secrets, Consultant hereby covenants and agrees that Consultant shall regard and treat Trade Secrets and all Confidential Information as strictly confidential and wholly-owned by the Southern Entities and shall not, for GAS Office of the General Counsel or any reason, in any fashion, either directly or indirectly, use, sell, lend, lease, distribute, license, give, transfer, assign, show, disclose, disseminate, reproduce, copy, misappropriate, or otherwise communicate any such item or information to any third party Entity for any purpose other than employee in accordance with the Agreement or as required by applicable law: (A) with regard to each item constituting a Trade Secret, at all times such information remains a trade secret this policy does not constitute legal advice and does not protect an individual from liability under applicable law and (B) with regard to securities laws.

Contact for Questions:

If you have any Confidential Information, for a period of five years following questions on this policy, please contact the end GAS Office of the Term of Corporate Secretary, the Agreement.

c. Consultant shall exercise best efforts to ensure the continued confidentiality of all Trade Secrets and Confidential Information and shall immediately notify the Company of any unauthorized disclosure or use of any Trade Secrets or Confidential Information of which Consultant becomes aware. Consultant shall assist the Southern Entities, to the extent necessary, in the protection of or procurement of any intellectual property protection or other rights in any of the Trade Secrets or Confidential Information.

d. All Work Product shall be owned exclusively by the Company. To the greatest extent possible, any Work Product shall be deemed to be work made administrator for hire (as defined in the Copyright Act, 17 U.S.C.A. § 101 et seq., as amended), and Consultant hereby unconditionally and irrevocably transfers and assigns to the Company all right, title, and interest Consultant currently has or may have by operation of law or otherwise in or to any Work Product, including, without limitation, all patents,

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copyrights, trademarks (and the goodwill associated therewith), trade secrets, service marks (and the goodwill associated therewith), and other intellectual property rights. Consultant agrees to execute and deliver to the Company any transfers, assignments, documents or other instruments which the Company may deem necessary or appropriate, from time to time, to protect the rights granted herein or to vest complete title and ownership of any and all Work Product, and all associated intellectual property and other rights therein, exclusively in the Company.

e. Notwithstanding anything herein to the contrary, nothing in this Agreement will prevent Consultant from providing truthful testimony under oath in a judicial or administrative proceeding or prevent Consultant from providing information to a federal, state, or local agency or commission ("Government Agencies") in connection with the lawful exercise of such Government Agency's functions. Moreover, nothing in this Agreement is intended to prohibit Consultant from engaging in protected activities under applicable law (including protected activities described in Section 211 of the Energy Reorganization Act). Consultant further understands nothing in this Agreement limits Consultant's ability to file a charge or complaint with the Securities and Exchange Commission or any other Government Agency. Nothing in this Agreement limits Consultant's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by a

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Government Agency, including providing documents or information without notice to the Company. This Agreement does not limit Consultant's right to receive an award for information provided to any Government Agency.

8. Remedies policy.

The parties represent and agree that any disclosure or use of any Trade Secrets or Confidential Information by Consultant except as otherwise permitted under this Agreement or authorized by the Company in writing, or any other violation of Section 7, would be wrongful and cause immediate, significant, continuing and irreparable injury and damage to the Company that is not fully compensable by monetary damages. Should Consultant breach or threaten to breach any provisions of Section 7, the Company shall be entitled to obtain immediate relief and remedies in a court of competent jurisdiction (including but not limited to damages, preliminary or permanent injunctive relief and an accounting for all profits and benefits arising out of Consultant's breach), cumulative of and in addition to any other rights or remedies to which Company may be entitled by this Agreement, at law or in equity.

9. Return of Materials.

Immediately upon termination of the Agreement, or at any point prior to or after that time upon the specific request of Company, the Consultant shall return to the Company all written or descriptive materials of any kind belonging or relating to the Company or any Southern Entity,

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including, without limitation, any Work Product, Confidential Information and Trade Secrets in Consultant's possession or control.

10. Laws, Regulations and Public Ordinances.

Consultant shall comply with all federal, state and local statutes, regulations and public ordinances governing his work hereunder and shall indemnify, defend and hold the Company harmless from any and all liability, damage, cost, fine, penalty, fee, and expense arising from Consultant's failure to do so.

11. Notice.

All notices required, necessary or desired to be given pursuant to this Agreement shall be in writing and shall be effective when delivered or on the third day following the date upon which such notice is deposited, postage prepaid, in the United States mail, certified return receipt requested, and addressed to the party at the address set forth below:

If to Consultant:	If to the Company:
Thomas A. Fanning	Southern Company Services, Inc.
Home Address on File	30 Ivan Allen Jr. Blvd., NW
	Atlanta, GA 30308
	Attention: Sterling A. Spainhour

12. Mutual Indemnification.

Each Party shall and does hereby expressly agree to mutually indemnify and hold harmless the other Party and its officers, directors, shareholders, employees, parent and affiliates against any and all liabilities, costs and expenses (including, without limitation, all court costs and attorneys' fees) arising out of or related to the indemnifying Party's acts or omissions in the performance of its obligations under this Agreement.

13. Waiver of Breach.

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The waiver by any party to this Agreement of a breach of any provision, section or paragraph of this Agreement shall not operate or be construed as a waiver of any subsequent breach of the same, or of a different provision, section or paragraph, by any party hereto.

14. Assignment by Consultant.

Consultant may not assign, transfer or subcontract any of his rights or obligations under this Agreement to any party without the prior written consent of the Company. Consultant's obligations under this Agreement shall be binding on Consultant's successors and permitted assigns. Any assignment, transfer or subcontracting in violation of this provision shall be null and void.

---

15. Governing Law.

This Agreement shall be construed and enforced in accordance with the laws of the State of Georgia.

16. Severability.

The unenforceability or invalidity of any particular provision of this Agreement shall not affect its other provisions, and to the extent necessary to give such other provisions effect, they shall be deemed severable. The judicial body interpreting this Agreement shall be authorized and instructed to rewrite any of the sections which are unenforceable as written in such a fashion so that they may be enforced to the greatest extent legally possible. Consultant acknowledges and agrees that the covenants and agreements contained in this Agreement shall be construed as covenants and agreements independent of each other or any other contract between the parties hereto and that the existence of any claim or cause of action by Consultant against the Company or any Southern Entity, whether predicated upon this Agreement or any other contract, shall not constitute a defense to the enforcement by the Company or any Southern Entity of said covenants and agreements.

17. Interpretation.

The judicial body interpreting or construing the Agreement shall not construe the terms hereof more strictly against one party, it being agreed that all parties and/or their agents have participated in the preparation hereof.

18. Survival.

Notwithstanding any expiration or termination of this Agreement, the provisions of Sections 8, 10 and 12 through 20 hereof shall survive and remain in full force and effect, as shall any other provision hereof that, by its terms or reasonable interpretation thereof, sets forth obligations that extend beyond the termination of this Agreement.

19. Counterparts.

This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and both of which taken together shall constitute one and the same agreement.

20. Entire Agreement.

This Agreement embodies the entire agreement of the parties and supersedes all prior agreements between the parties hereto relating to the subject matter hereof. This Agreement may not be modified or amended except by a written instrument signed by both Consultant and an authorized representative of the Company.

[Signatures are on following page]

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the date first set forth above.

COMPANY	**CONSULTANT**
/s/Christopher C. Womack	/s/Thomas A. Fanning
Printed Name: Christopher C. Womack	Thomas A. Fanning
Title: President and Chief Executive Officer of The Southern Company	

Exhibit 21(a)

Subsidiaries of the Registrant(1)

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Name of Company	Jurisdiction of Organization
The Southern Company	Delaware
Alabama Power Company	Alabama
Alabama Property Company	Alabama
Southern Electric Generating Company	Alabama
Georgia Power Company	Georgia
Piedmont-Forrest Corporation	Georgia
Southern Electric Generating Company	Alabama
Mississippi Power Company	Mississippi
Southern Power Company	Delaware
SP Deuel Harvest Wind Energy Class B Holdings, LLC	Delaware
SP Deuel Harvest Wind Energy Holdings, LLC (2)	Delaware
Deuel Harvest Wind Energy Holdings, LLC (3)	Delaware
Deuel Harvest Wind Energy, LLC	Delaware
SP Diamond State Class B Holdings, LLC	Delaware
Diamond State Generation Partners, LLC (4)	Delaware
Beech Ridge Energy II Holdings, LLC (5)	Delaware
Beech Ridge Energy II, LLC	Delaware
SP Skookumchuck Investments, LLC (6)	Delaware
SP Skookumchuck Holdings, LLC (7)	Delaware
SP Skookumchuck Wind Energy Project, LLC	Delaware
Reading Wind Energy Class B Holdings, LLC	Delaware
Reading Wind Energy Holding, LLC (8)	Delaware
Reading Wind Energy, LLC	Delaware
SP Roserock Investment, Inc.	Delaware
RE Roserock Holdings, LLC (9)	Delaware
RE Roserock LLC	Delaware
Southern Renewable Energy, Inc.	Delaware
Glass Sands Wind Energy, LLC	Delaware
SP Wildhorse Class B Holdings, LLC	Delaware
SP Wildhorse Holdings, LLC (10)	Delaware
Wildhorse Wind Energy, LLC	Delaware
SP Solar GP, Inc.	Delaware
SP Solar Holdings I, LP (11)	Delaware
SP Solar Storage Class B Holdings, LLC (12)	Delaware
SP Solar Storage OpCo, LLC (13)	Delaware
SP Garland Solar Storage, LLC	Delaware
SP Tranquillity Solar Storage, LLC	Delaware
BNB Lamesa Solar, LLC	Delaware
East Pecos Solar, LLC	Delaware
SP Butler Solar, LLC	Delaware
SP Butler Solar Farm, LLC	Delaware

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SP Decatur County Solar, LLC	Delaware
SP Decatur Parkway Solar, LLC	Delaware
SP Pawpaw Solar, LLC	Delaware
SP Sandhills Solar, LLC	Delaware
SP Solar Farms, LLC	Delaware
Adobe Solar, LLC	Delaware
Apex Nevada Solar, LLC	Delaware
Calipatria, LLC	Delaware
Campo Verde Solar, LLC	Delaware
Granville Solar, LLC	Delaware
Macho Springs Solar, LLC	Delaware
Macho Springs Solar 2, LLC	Delaware
Morelos Solar, LLC	Delaware
Rutherford Farm, LLC	Delaware
Spectrum Nevada Solar, LLC	Delaware
SP Cimarron I, LLC	Delaware
SP Cimarron Capital, LLC	Delaware
Southern Renewable Partnerships, LLC	Delaware
BSP Holding Company, LLC (14)	Delaware
Boulder Solar Power Parent, LLC	Delaware

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Boulder Solar Power, LLC	Delaware
Desert Stateline Holdings, LLC (15)	Delaware
Desert Stateline, LLC	Delaware
Lost Hills Blackwell Holdings, LLC (14)	Delaware
Lost Hills Solar Holdco, LLC	Delaware
Lost Hills Solar, LLC	Delaware
Blackwell Solar Holdings, LLC	Delaware
Blackwell Solar, LLC	Delaware
NS Solar Holdings, LLC (14)	Delaware
North Star Solar, LLC	Delaware
Parrey Holding Company, LLC (14)	Delaware
Parrey Parent, LLC	Delaware
Parrey, LLC	Delaware
RE Silverlake Holdings, LLC (14)	Delaware
RE Garland Holdings LLC	Delaware
RE Garland, LLC	Delaware
RE Garland A, LLC	Delaware
RE Tranquillity Holdings, LLC (14)	Delaware
RE Tranquillity, LLC	Delaware
RE Tranquillity BAAH, LLC	Delaware
SG2 Holdings, LLC (14)	Delaware
SG2 Imperial Valley LLC	Delaware
SP Wind Holdings II, LLC (16)	Delaware
Bethel Wind Farm Class B Holdings, LLC	Delaware
Bethel Wind Farm Holdings, LLC	Delaware
Bethel Wind Farm, LLC	Delaware
Grant Plains Wind, LLC	Delaware
Grant Wind, LLC	Delaware
Grant County Interconnect, LLC (17)	Delaware
Kay Wind, LLC	Delaware
Passadumkeag Windpark, LLC	Delaware
Salt Fork Wind, LLC	Delaware

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Tyler Bluff Wind Project, LLC	Delaware
WWH LLC (18)	Delaware
Wake Wind Class B Holdings LLC	Delaware
Wake Wind Holdings, LLC	Delaware
Wake Wind Energy, LLC	Delaware
SP TEP Class B Holdings I, Inc.	Delaware
SP Gaskell West 1 Class B Holdings, LLC	Delaware
SP Gaskell West 1 Holdings, LLC (19)	Delaware
RE Gaskell West 1, LLC	Delaware
SP Wind Development Holdings, LLC	Delaware
SP TEP Formations, Inc.	Delaware
SP Cactus Flats Class B Holdings, LLC	Delaware
Cactus Flats Holdings, LLC (20)	Delaware
SP Cactus Flats Wind Energy, LLC	Delaware
Millers Branch Solar, LLC	Delaware
South Cheyenne Solar, LLC	Delaware
Southern Company Gas	Georgia
Southern Company Gas Capital Corporation	Nevada Alabama
Atlanta Gas Light Company	Georgia
Georgia Natural Gas Company	Georgia
SouthStar Energy Services LLC	Delaware
Ottawa Acquisition LLC	Illinois
Northern Illinois Gas Company (21)	Illinois
Southern Company Gas Investments, Inc.	Georgia
Southern Company Gas Pipeline Holdings LLC	Georgia
Evergreen Enterprise Holdings LLC	Georgia
Virginia Natural Gas, Inc.	Georgia

(1) This information is as of December 31, 2023 December 31, 2024. In addition, this list omits certain subsidiaries pursuant to paragraph (b)(21)(ii) of Regulation S-K, Item 601.

(2) SP Deuel Harvest Wind Energy Class B Holdings, LLC and Southern Renewable Energy, Inc. own 99% and 1% of the Class B membership interests, respectively, in the tax equity partnership.

(3) SP Deuel Harvest Wind Energy Holdings, LLC owns 80%.

(4) SP Diamond State Class B Holdings, LLC owns 100% of the Class B membership interests.

(5) Southern Power Company owns 100% of the Class A membership interests and is entitled to 90% of all cash distributions.

(6) Southern Power Company owns 51%.

(7) SP Skookumchuck Investment, LLC owns 100% of the Class B membership interests in the tax equity partnership.

(8) Reading Wind Energy Class B Holdings, LLC owns 100% of the Class B membership interests in the tax equity partnership.

(9) Southern Power Company owns 100% of the Class A membership interests and is entitled to 51% of all cash distributions and SP Roserock Investment Inc. owns 100% of the Class B membership interests and is entitled to 49% of all cash distributions

(10) SP Wildhorse Class B Holdings, LLC owns 100% of the Class B membership interests in the tax equity partnership.

(11) Southern Renewable Energy, Inc. and SP Solar GP, Inc. own 66% and 1%, respectively.

(12) SP Solar Holdings I, LP and SP Solar GP, Inc. own 98% 99% and 2% 1% of the Class A membership interests, respectively, as well as 50% and 1% of the entirety of the entities through their Class A membership interests, respectively.

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(13) SP Solar Storage Class B Holdings, LLC owns 100% of the Class B membership interests in the tax equity partnership.

(14) Southern Renewable Partnerships, LLC owns 100% of the Class A membership interests and is entitled to 51% of all cash distributions.

(15) Southern Renewable Partnerships, LLC owns 100% of the Class A membership interests and is entitled to 66% of all cash distributions.

(16) Southern Renewable Energy, Inc. owns 100% of the Class B membership interests in the tax equity partnership.

(17) Grant Wind, LLC and Grant Plains Wind, LLC own 50.4% and 49.6%, respectively.

(18) SP Wind Holdings II, LLC owns 90.1%.

(19) SP Gaskell West 1 Class B Holdings, LLC owns 100% of the Class B membership interests in the tax equity partnership.

(20) SP Cactus Flats Class B Holdings, LLC and SP TEP Class B Holdings I, Inc. own 95% and 5%, respectively, of the Class B membership interests in the tax equity partnership.

(21) Doing business as Nicor Gas Company.

Exhibit 23(a)1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 2-78617, 33-54415, 33-58371, 33-60427, 333-44127, 333-118061, 333-166709, 333-174704, 333-174707, 333-204618, 333-212783, 333-229841, 333-237951, 333-256558, and 333-256558 333-279103 on Form S-8 and Registration Statement Nos. 333-253286 333-277137 and 333-253291 333-277138 on Form S-3 of our reports dated February 14, 2024 February 19, 2025, relating to the consolidated financial statements and consolidated financial statement schedule of The Southern Company and Subsidiary Companies, and the effectiveness of The Southern Company and Subsidiary Companies' internal control over financial reporting, appearing in this Annual Report on Form 10-K of The Southern Company for the year ended December 31, 2023 December 31, 2024.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

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Exhibit 23(b)1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-269983 on Form S-3 of our report dated February 14, 2024 February 19, 2025, relating to the financial statements and financial statement schedule of Alabama Power Company, appearing in this Annual Report on Form 10-K of Alabama Power Company for the year ended December 31, 2023 December 31, 2024.

/s/ Deloitte & Touche LLP
Birmingham, Alabama
February 14, 2024

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Exhibit 23(c)1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-262855 on Form S-3 of our report dated February 14, 2024, relating to the financial statements and financial statement schedule of Georgia Power Company, appearing in this Annual Report on Form 10-K of Georgia Power Company for the year ended December 31, 2023.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024

19, 2025

Exhibit 23(d)1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-273697 on Form S-3 of our report dated February 14, 2024 February 19, 2025, relating to the financial statements and financial statement schedule of Mississippi Power Company, appearing in this Annual Report on Form 10-K of Mississippi Power Company for the year ended December 31, 2023 December 31, 2024.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

Exhibit 23(e)1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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We consent to the incorporation by reference in Registration Statement No. 333-268044 on Form S-3 of our report dated February 14, 2024 February 19, 2025, relating to the consolidated financial statements and consolidated financial statement schedule of Southern Power Company and Subsidiary Companies, appearing in this Annual Report on Form 10-K of Southern Power Company for the year ended December 31, 2023 December 31, 2024.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

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Exhibit 23(f)1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-264573 on Form S-3 and Registration Statement Nos. 333-26963 and 333-154965 on Form S-8 of our report dated February 14, 2024 February 19, 2025, relating to the consolidated financial statements and consolidated financial statement schedule of Southern Company Gas and Subsidiary Companies, appearing in this Annual Report on Form 10-K of Southern Company Gas for the year ended December 31, 2023 December 31, 2024.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
February 14, 2024 19, 2025

Exhibit 23(f)2

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-231185) 333-264573) and Form S-8 (No. 333-26963 and 333-154965) of Southern Company Gas of our report dated February 6, 2024 February 6, 2025, relating to the consolidated financial statements of Southern Natural Gas Company, L.L.C., which appears in this Annual Report on Form 10-K of Southern Company Gas.

/s/ BDO USA, P.C.
Houston, Texas
February 14, 2024 19, 2025

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Exhibit 24(a)1

December 11, 2023 9, 2024

Myra C. Bierria Laura O. Hewett and Melissa K. Caen

Ms. Bierria Hewett and Ms. Caen:

The Southern Company (the "Company") proposes to file or join in the filing of reports under the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission with respect to the following: (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and (2) the Company's Quarterly Reports on Form 10-Q during 2024. 2025.

The Company and the undersigned directors and officers of the Company, individually as a director and/or as an officer of the Company, hereby make, constitute and appoint each of you our true and lawful Attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission in connection with the foregoing said Annual Report on Form 10-K, said Quarterly Reports on Form 10-Q and any necessary or appropriate amendment or amendments to any such reports, to be accompanied in each case by any necessary or appropriate exhibits or schedules thereto.

Yours very truly,

THE SOUTHERN COMPANY

By /s/Christopher C. Womack

Christopher C. Womack
President and
Chief Executive Officer

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450/480

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/s/Janaki Akella	/s/David E. Meador
Janaki Akella	David E. Meador
/s/Henry A. Clark III	/s/Ernest J. Moniz William G. Smith, Jr.
Henry A. Clark III	Ernest J. Moniz William G. Smith, Jr
/s/Shantella E. Cooper	/s/William G. Smith, Jr. Kristine L. Svinicki
Shantella E. Cooper	William G. Smith, Jr Kristine L. Svinicki
/s/Anthony F. Earley, Jr.	/s/Kristine L. Svinicki Lizanne Thomas
Anthony F. Earley, Jr.	Kristine L. Svinicki
/s/Thomas A. Fanning	/s/Lizanne Thomas
Thomas A. Fanning	Lizanne Thomas
/s/David J. Grain	/s/Christopher C. Womack
David J. Grain	Christopher C. Womack
/s/Donald M. James	/s/E. Jenner Wood III Daniel S. Tucker
Donald M. James	E. Jenner Wood III
/s/John D. Johns	/s/Daniel S. Tucker
John D. Johns	Daniel S. Tucker
/s/Dale E. Klein John D. Johns	/s/David P. Poroch
John D. Johns	David P. Poroch
/s/Dale E. Klein	
Dale E. Klein	David P. Poroch

Extract from minutes of meeting of the board of directors of The Southern Company.

- - - - - - - - - -

RESOLVED: That for the purpose of signing the reports under the Securities Exchange Act of 1934 to be filed with the Securities and Exchange Commission with respect to the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and its 2024 2025 Quarterly Reports on Form 10-Q, and any necessary or appropriate amendment or amendments to any such reports, the Company, the

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members of its Board of Directors and its officers be and hereby are authorized to give their several powers of attorney to Myra C. Bierria Laura O. Hewett and Melissa K. Caen.

- - - - - - - - - -

The undersigned officer of The Southern Company does hereby certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted at a meeting of the board of directors of The Southern Company, duly held on December 11, 2023 December 9, 2024, at which a quorum was in attendance and voting throughout, and that said resolution has not since been rescinded but is still in full force and effect.

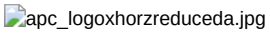
Dated: February 14, 2024 February 19, 2025

THE SOUTHERN COMPANY

By /s/Melissa K. Caen

Melissa K. Caen
Assistant Secretary

Exhibit 24(b)1



600 North 18th Street
Post Office Box 2641
Birmingham, Alabama 35291-0001

Tel 205 257 1000

January 26, 2024 24, 2025

Daniel S. Tucker
30 Ivan Allen Jr. Blvd., N.W.
Atlanta, Georgia 30308

Melissa K. Caen
30 Ivan Allen Jr. Blvd., N.W.
Atlanta, Georgia 30308

Dear Mr. Tucker and Ms. Caen:

Alabama Power Company (the “Company”) proposes to file or join in the filing of reports under the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission with respect to the following: (1) the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and (2) the Company’s Quarterly Reports on Form 10-Q during 2024. 2025.

The Company and the undersigned directors and officers of the Company, individually as a director and/or as an officer of the Company, hereby make, constitute and appoint each of you our true and lawful Attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission in connection with the foregoing said Annual Report on Form 10-K, said Quarterly Reports on Form 10-Q and any necessary or appropriate amendment or amendments to any such reports, to be accompanied in each case by any necessary or appropriate exhibits or schedules thereto.

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Yours very truly,

ALABAMA POWER COMPANY

By /s/J. Jeffrey Peoples

J. Jeffrey Peoples
Chairman, President and
Chief Executive Officer

/s/Angus R. Cooper, III
Angus R. Cooper, III

/s/Kevin B. Savoy
Kevin B. Savoy

/s/O. B. Grayson Hall, Jr.
O. B. Grayson Hall, Jr.

/s/R. Mitchell Shackleford, III
R. Mitchell Shackleford, III

/s/Anthony A. Joseph Lee C. Goodloe
Anthony A. Joseph Lee C. Goodloe

/s/Charisse D. Stokes
Charisse D. Stokes

/s/Barbara J. Knight O. B. Grayson Hall, Jr.
Barbara J. Knight

/s/Phillip M. Webb
Phillip M. Webb

O. B. Grayson Hall, Jr.

/s/J. Jeffrey Peoples Larry R. Howell, Jr.
Larry R. Howell, Jr.

/s/William B. Wilson
William B. Wilson

/s/Anthony A. Joseph
J. Jeffrey Peoples Anthony A. Joseph

/s/Moses H. Feagin
Moses H. Feagin

/s/Catherine Barbara J. Randall Knight
Catherine
Barbara J. Randall Knight

/s/Anita Allcorn-Walker D. Allcorn
Anita Allcorn-Walker D. Allcorn

/s/J. Jeffrey Peoples
J. Jeffrey Peoples

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Extract from minutes of meeting of the board of directors of Alabama Power Company.

- - - - - - - - - -

RESOLVED: That for the purpose of signing the reports under the Securities Exchange Act of 1934 to be filed with the Securities and Exchange Commission with respect to the filing of this Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and its 2024 2025 Quarterly Reports on Form 10-Q, and any necessary or appropriate amendment or amendments to any such reports, this Company, the members of its board of directors and its officers are authorized to give their several powers of attorney to Daniel S. Tucker and Melissa K. Caen.

- - - - - - - - - -

The undersigned officer of Alabama Power Company does hereby certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted at a meeting of the board of directors of Alabama Power Company, duly held on January 26, 2024 January 24, 2025, at which a quorum was in attendance and voting throughout, and that said resolution has not since been rescinded but is still in full force and effect.

Dated: February 14, 2024 February 19, 2025

ALABAMA POWER COMPANY

By /s/Melissa K. Caen

Melissa K. Caen
Assistant Secretary

Exhibit 24(c)1

November 15, 2023 20, 2024

Aaron P. Abramovitz, Daniel S. Tucker and Melissa K. Caen

Gentlemen and Ms. Caen:

Georgia Power Company (the "Company") proposes to file or join in the filing of reports under the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission with respect to the following: (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and (2) the Company's Quarterly Reports on Form 10-Q during 2024. 2025.

The Company and the undersigned directors and officers of the Company, individually as a director and/or as an officer of the Company, hereby make, constitute and appoint each of you our true and lawful Attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission in connection with the foregoing said Annual Report on Form 10-K, said Quarterly Reports on Form 10-Q and any necessary or appropriate amendment or amendments to any such reports, to be accompanied in each case by any necessary or appropriate exhibits or schedules thereto.

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Yours very truly,

GEORGIA POWER COMPANY

By /s/Kimberly S. Greene

Kimberly S. Greene
Chairman, President and Chief Executive Officer

/s/Jill Bullock	/s/Tonialo Smith
Jill Bullock	Tonialo Smith
/s/Mark L. Burns	/s/Kessel D. Stelling, Jr.
Mark L. Burns	Kessel D. Stelling, Jr.
/s/Jill Campbell Andrew W. Evans	/s/Charles K. Tarbutton
Jill Campbell Andrew W. Evans	Charles K. Tarbutton
/s/Andrew W. Evans Steven R. Ewing	/s/Clyde C. Tuggle
Andrew W. Evans Steven R. Ewing	Clyde C. Tuggle
/s/Steven R. Ewing Kimberly S. Greene	/s/Aaron P. Abramovitz
Steven R. Ewing Kimberly S. Greene	Aaron P. Abramovitz
/s/Kimberly S. Greene Thomas M. Holder	/s/Adam D. Houston
Kimberly S. Greene	Adam D. Houston
/s/Thomas M. Holder	
Thomas M. Holder	Adam D. Houston

Extract from unanimous written consent of the board of directors of Georgia Power Company.

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RESOLVED: That for the purpose of signing the reports under the Securities Exchange Act of 1934 to be filed with the Securities and Exchange Commission with respect to the filing of this Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and its 2024 2025 Quarterly Reports on Form 10-Q, and any necessary or appropriate amendment or amendments to any such reports, the Company, the members of its board of directors and its officers are authorized to give their several powers of attorney to Aaron P. Abramovitz, Daniel S. Tucker and Melissa K. Caen.

- - - - - - - - -

The undersigned officer of Georgia Power Company does hereby certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted at a meeting of the board of directors of Georgia Power Company, duly held on November 15, 2023 November 20, 2024, at which a quorum was in attendance and voting throughout, and that said resolution has not since been rescinded but is still in full force and effect.

Dated: February 14, 2024 February 19, 2025

GEORGIA POWER COMPANY

By /s/Melissa K. Caen
Melissa K. Caen
Assistant Secretary

Exhibit 24(d)1

October 16, 2023 23, 2024

Mr. Daniel S. Tucker
The Southern Company
30 Ivan Allen Jr. Blvd., NW
Atlanta, GA 30308

Ms. Melissa K. Caen
Southern Company Services, Inc.
30 Ivan Allen Jr. Blvd., NW
Atlanta, GA 30308

Mr. Tucker and Ms. Caen:

Mississippi Power Company (the "Company") proposes to file or join in the filing of reports under the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission with respect to the following: (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and (2) the Company's Quarterly Reports on Form 10-Q during 2024. 2025.

The Company and the undersigned directors and officers of the Company, individually as a director and/or as an officer of the Company, hereby make, constitute and appoint each of you our true and lawful Attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission in connection with the foregoing said Annual Report on Form 10-K, said Quarterly Reports on Form 10-Q and any necessary or appropriate amendment or amendments to any such reports, to be accompanied in each case by any necessary or appropriate exhibits or schedules thereto.

Yours very truly,

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MISSISSIPPI POWER COMPANY

By /s/Anthony L.Wilson

Anthony L. Wilson
Chairman, President and Chief
Executive Officer

/s/Augustus Leon Collins	/s/Anthony L. Wilson
Augustus Leon Collins	Anthony L. Wilson
/s/Thomas M. Duff	/s/Camille Scales Young
Thomas M. Duff	Camille Scales Young
/s/Mary S. Graham	/s/Matthew P. Grice
Mary S. Graham	Matthew P. Grice
/s/Mark E. Keenum /s/David B. Hall	/s/Shawn S. Shurden
Mark E. Keenum David B. Hall	Shawn S. Shurden
/s/Kara R. Wilkinson Mark E. Keenum	/s/Pascal B. Gill
Kara R. Wilkinson Mark E. Keenum	Pascal B. Gill
/s/Kara R. Wilkinson	
Kara R. Wilkinson	

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Extract from minutes of meeting of the board of directors of Mississippi Power Company.

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RESOLVED, That for the purpose of signing the reports under the Securities Exchange Act of 1934, as amended, to be filed with the Securities and Exchange Commission with respect to the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and its 2024 2025 Quarterly Reports on Form 10-Q, and any necessary or appropriate amendment or amendments to any such reports, the Company, the members of its board of directors and its officers are authorized to give their several powers of attorney to Daniel S. Tucker and Melissa K. Caen.

- - - - - - - - - -

The undersigned officer of Mississippi Power Company does hereby certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted at a meeting of the board of directors of Mississippi Power Company, duly held on October 16, 2023 October 23, 2024, at which a quorum was in attendance and voting throughout, and that said resolution has not since been rescinded but is still in full force and effect.

Dated: February 14, 2024 February 19, 2025

MISSISSIPPI POWER COMPANY

By /s/Melissa K. Caen
Melissa K. Caen
Assistant Secretary

Exhibit 24(e)1

November 27, 2023 13, 2024

Mr. Gary Kerr
Southern Power Company
3535 Colonnade Parkway
Birmingham, AL 35243

Mr. D. Matt Madison
Southern Power Company
3535 Colonnade Parkway
Birmingham, AL 35243

Ms. Melissa K. Caen
Southern Company Services, Inc.
30 Ivan Allen Jr. Blvd, NW
Atlanta, GA 30308

Mr. Kerr, Mr. Madison and Ms. Caen:

Southern Power Company (the "Company") proposes to file or join in the filing of reports under the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission with respect to the following: (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and (2) the Company's Quarterly Reports on Form 10-Q during 2024. 2025.

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The Company and the undersigned directors and officers of the Company, individually as a director and/or as an officer of the Company, hereby make, constitute and appoint each of you our true and lawful Attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission in connection with the foregoing said Annual Report on Form 10-K, said Quarterly Reports on Form 10-Q and any necessary or appropriate amendment or amendments to any such reports, to be accompanied in each case by any necessary or appropriate exhibits or schedules thereto.

Yours very truly,

SOUTHERN POWER COMPANY

By /s/Christopher Cummiskey

Christopher Cummiskey
Chairman and Chief Executive Officer

/s/Bryan D. Anderson	/s/Sterling A. Spainhour
Bryan D. Anderson	Sterling A. Spainhour
/s/Stanley W. Connally, Jr.	/s/Daniel S. Tucker
Stanley W. Connally, Jr.	Daniel S. Tucker
/s/Christopher Cummiskey	/s/Christopher C Womack
Christopher Cummiskey	Christopher C. Womack
/s/Martin B. Davis	/s/Gary Kerr
Martin B. Davis	Gary Kerr
/s/Sloane N. Drake	/s/Jelena Andrin
Sloane N. Drake	Jelena Andrin
/s/James Y. Kerr II	/s/D. Matt Madison
James Y. Kerr II	D. Matt Madison

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Extract from minutes of meeting of the board of directors of Southern Power Company.

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RESOLVED: That for the purpose of signing the reports under the Securities Exchange Act of 1934 to be filed with the Securities and Exchange Commission with respect to the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and its 2024 2025 Quarterly Reports on Form 10-Q, and any necessary or appropriate amendment or amendments to any such reports, the Company, the members of its board of directors and its officers are authorized to give their several powers of attorney to Gary Kerr, D. Matt Madison and Melissa K. Caen.

- - - - - - - - - -

The undersigned officer of Southern Power Company does hereby certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted at a meeting of the board of directors of Southern Power Company, duly held on November 3, 2023 November 13, 2024, at which a quorum was in attendance and voting throughout, and that said resolution has not since been rescinded but is still in full force and effect.

Dated: February 14, 2024 February 19, 2025

SOUTHERN POWER COMPANY

By /s/Melissa K. Caen
Melissa K. Caen
Assistant Secretary

Exhibit 24(f)1

December 12, 2023 11, 2024

Myra C. Bierria Laura O. Hewett and Melissa K. Caen

Ms. Bierria Hewett and Ms. Caen:

Southern Company Gas (the "Company") proposes to file or join in the filing of reports under the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission with respect to the following: (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and (2) the Company's Quarterly Reports on Form 10-Q during 2024. 2025.

The Company and the undersigned directors and officers of the Company, individually as a director and/or as an officer of the Company, hereby make, constitute and appoint each of you our true and lawful Attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission in connection with the foregoing said Annual Report on Form 10-K, said Quarterly Reports on Form 10-Q and any necessary or appropriate amendment or amendments to any such reports, to be accompanied in each case by any necessary or appropriate exhibits or schedules thereto.

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Yours very truly,

SOUTHERN COMPANY GAS

By /s/James Y. Kerr II

James Y. Kerr II
Chairman, President and
Chief Executive Officer

/s/Sandra N. Bane
Sandra N. Bane

/s/Thomas D. Bell, Jr.
Thomas D. Bell, Jr.

/s/Brenda J. Gaines
Brenda J. Gaines

/s/Bradley Brenda J. Henderson Gaines
Bradley Brenda J. Henderson Gaines

/s/Norman G. Holmes Bradley J. Henderson
Norman G. Holmes Bradley J. Henderson

/s/Norman G. Holmes
Norman G. Holmes

/s/James Y. Kerr II
James Y. Kerr II

/s/J. Bret Lane
J. Bret Lane

/s/John E. Rau Eric S. Smith
John E. Rau

/s/Eric S. Smith
Eric S. Smith

/s/Grace A. Kolvereid
Grace A. Kolvereid

/s/Sarah P. Adams
Sarah P. Adams

/s/Marcia R. DeMar
Marcia R. DeMar

/s/Barbara P. Christopher
Barbara P. Christopher

Extract from minutes of meeting of the board of directors of Southern Company Gas.

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RESOLVED: That for the purpose of signing the reports under the Securities Exchange Act of 1934 to be filed with the Securities and Exchange Commission with respect to the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2024 and its 2024 2025 Quarterly Reports on Form 10-Q, and any necessary or appropriate amendment or amendments to any such reports, the Company, the members of its Board of Directors and its officers be and hereby are authorized to give their several powers of attorney to Myra C. Bierria Laura O. Hewett and Melissa K. Caen.

- - - - - - - - - -

The undersigned officer of Southern Company Gas does hereby certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted at a meeting of the board of directors of Southern Company Gas, duly held on December 12, 2023 December 11, 2024, at which a quorum was in attendance and voting throughout, and that said resolution has not since been rescinded but is still in full force and effect.

Dated: February 14, 2024 February 19, 2025

SOUTHERN COMPANY GAS

By /s/Melissa K. Caen

Melissa K. Caen
Assistant Secretary

Exhibit 31(a)1

THE SOUTHERN COMPANY

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Christopher C. Womack, certify that:

1. I have reviewed this annual report on Form 10-K of The Southern Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Christopher C. Womack

Christopher C. Womack

Chairman, President and
Chief Executive Officer

Exhibit 31(a)2

THE SOUTHERN COMPANY

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Daniel S. Tucker, certify that:

1. I have reviewed this annual report on Form 10-K of The Southern Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Daniel S. Tucker

Daniel S. Tucker

Executive Vice President, and Chief Financial Officer and Treasurer

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Exhibit 31(b)1

ALABAMA POWER COMPANY

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, J. Jeffrey Peoples, certify that:

1. I have reviewed this annual report on Form 10-K of Alabama Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/J. Jeffrey Peoples

J. Jeffrey Peoples

Chairman, President and Chief Executive Officer

Exhibit 31(b)2

ALABAMA POWER COMPANY

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Moses H. Feagin, certify that:

1. I have reviewed this annual report on Form 10-K of Alabama Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this

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report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Moses H. Feagin

Moses H. Feagin

Executive Vice President, Chief Financial Officer
and Treasurer

Exhibit 31(c)1

GEORGIA POWER COMPANY

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Kimberly S. Greene, certify that:

1. I have reviewed this annual report on Form 10-K of Georgia Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

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external purposes in accordance with generally accepted accounting principles;

(c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Kimberly S. Greene

Kimberly S. Greene

Chairman, President and Chief Executive Officer

Exhibit 31(c)2

GEORGIA POWER COMPANY

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Aaron P. Abramovitz, certify that:

1. I have reviewed this annual report on Form 10-K of Georgia Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

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Date: February 14, 2024 February 19, 2025

/s/Aaron P. Abramovitz

Aaron P. Abramovitz

Executive Vice President, Chief Financial Officer and Treasurer

Exhibit 31(d)1

MISSISSIPPI POWER COMPANY

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Anthony L. Wilson, certify that:

1. I have reviewed this annual report on Form 10-K of Mississippi Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Anthony L. Wilson

Anthony L. Wilson

Chairman, President and

Chief Executive Officer

Exhibit 31(d)2

MISSISSIPPI POWER COMPANY

CERTIFICATION OF CHIEF FINANCIAL OFFICER

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I, Matthew P. Grice, certify that:

1. I have reviewed this annual report on Form 10-K of Mississippi Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Matthew P. Grice

Matthew P. Grice

Vice President, Treasurer and
Chief Financial Officer

Exhibit 31(e)1

SOUTHERN POWER COMPANY

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Christopher Cummiskey, certify that:

1. I have reviewed this annual report on Form 10-K of Southern Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-

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15(f)) for the registrant and have:

(a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Christopher Cummiskey

Christopher Cummiskey

Chairman and Chief Executive Officer

Exhibit 31(e)2

SOUTHERN POWER COMPANY

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Gary Kerr, certify that:

1. I have reviewed this annual report on Form 10-K of Southern Power Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Gary Kerr

Gary Kerr

Senior Vice President, Chief
Financial Officer and Treasurer

Exhibit 31(f)1

SOUTHERN COMPANY GAS

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, James Y. Kerr II, certify that:

1. I have reviewed this annual report on Form 10-K of Southern Company Gas;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

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/s/James Y. Kerr II

James Y. Kerr II

Chairman, President and Chief Executive Officer

Exhibit 31(f)2

SOUTHERN COMPANY GAS

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Grace A. Kolvereid, certify that:

1. I have reviewed this annual report on Form 10-K of Southern Company Gas;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2024 February 19, 2025

/s/Grace A. Kolvereid

Grace A. Kolvereid

Executive Vice President, Chief Financial Officer and Treasurer

Exhibit 32(a)

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CERTIFICATION

18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report on Form 10-K of The Southern Company for the year ended December 31, 2023 December 31, 2024, we, the undersigned, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of our individual knowledge and belief, that:

(1) such Annual Report on Form 10-K of The Southern Company for the year ended December 31, 2023 December 31, 2024, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such Annual Report on Form 10-K of The Southern Company for the year ended December 31, 2023 December 31, 2024, fairly presents, in all material respects, the financial condition and results of operations of The Southern Company.

/s/Christopher C. Womack

Christopher C. Womack
Chairman, President and
Chief Executive Officer

/s/Daniel S. Tucker

Daniel S. Tucker
Executive Vice President, and
Chief Financial
Officer and Treasurer

February 14, 2024 19, 2025

Exhibit 32(b)

CERTIFICATION

18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report on Form 10-K of Alabama Power Company for the year ended December 31, 2023 December 31, 2024, we, the undersigned, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of our individual knowledge and belief, that:

(1) such Annual Report on Form 10-K of Alabama Power Company for the year ended December 31, 2023 December 31, 2024, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such Annual Report on Form 10-K of Alabama Power Company for the year ended December 31, 2023 December 31, 2024, fairly presents, in all material respects, the financial condition and results of operations of Alabama Power Company.

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/s/J. Jeffrey Peoples

J. Jeffrey Peoples

Chairman, President and Chief Executive Officer

/s/Moses H. Feagin

Moses H. Feagin

Executive Vice President,
Chief Financial Officer and Treasurer

February 14, 2024 19, 2025

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Exhibit 32(c)

CERTIFICATION

18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report on Form 10-K of Georgia Power Company for the year ended December 31, 2023 December 31, 2024, we, the undersigned, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of our individual knowledge and belief, that:

(1) such Annual Report on Form 10-K of Georgia Power Company for the year ended December 31, 2023 December 31, 2024, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such Annual Report on Form 10-K of Georgia Power Company for the year ended December 31, 2023 December 31, 2024, fairly presents, in all material respects, the financial condition and results of operations of Georgia Power Company.

/s/Kimberly S. Greene

Kimberly S. Greene

Chairman, President and Chief Executive Officer

/s/Aaron P. Abramovitz

Aaron P. Abramovitz

Executive Vice President, Chief Financial Officer and Treasurer

February 14, 2024 19, 2025

Exhibit 32(d)

CERTIFICATION

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18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report on Form 10-K of Mississippi Power Company for the year ended December 31, 2023 December 31, 2024, we, the undersigned, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of our individual knowledge and belief, that:

(1) such Annual Report on Form 10-K of Mississippi Power Company for the year ended December 31, 2023 December 31, 2024, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such Annual Report on Form 10-K of Mississippi Power Company for the year ended December 31, 2023 December 31, 2024, fairly presents, in all material respects, the financial condition and results of operations of Mississippi Power Company.

/s/Anthony L. Wilson

Anthony L. Wilson

Chairman, President and Chief Executive Officer

/s/Matthew P. Grice

Matthew P. Grice

Vice President, Treasurer and
Chief Financial Officer

February 14, 2024 19, 2025

Exhibit 32(e)

CERTIFICATION

18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report on Form 10-K of Southern Power Company for the year ended December 31, 2023 December 31, 2024, we, the undersigned, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of our individual knowledge and belief, that:

(1) such Annual Report on Form 10-K of Southern Power Company for the year ended December 31, 2023 December 31, 2024, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such Annual Report on Form 10-K of Southern Power Company for the year ended December 31, 2023 December 31, 2024, fairly presents, in all material respects, the financial condition and results of operations of Southern Power Company.

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/s/Christopher Cummiskey

Christopher Cummiskey

Chairman and Chief Executive Officer

/s/Gary Kerr

Gary Kerr

Senior Vice President, Chief Financial Officer and Treasurer

February 14, 2024 19, 2025

Exhibit 32(f)

CERTIFICATION

18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report on Form 10-K of Southern Company Gas for the year ended December 31, 2023 December 31, 2024, we, the undersigned, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of our individual knowledge and belief, that:

(1) such Annual Report on Form 10-K of Southern Company Gas for the year ended December 31, 2023 December 31, 2024, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in such Annual Report on Form 10-K of Southern Company Gas for the year ended December 31, 2023 December 31, 2024, fairly presents, in all material respects, the financial condition and results of operations of Southern Company Gas.

/s/James Y. Kerr II

James Y. Kerr II

Chairman, President and Chief Executive Officer

/s/Grace A. Kolvereid

Grace A. Kolvereid

Executive Vice President, Chief Financial Officer and Treasurer

February 14, 2024 19, 2025

Exhibit 97(a)

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The Southern Company
and Covered Subsidiaries
Compensation Recoupment Policy
Effective December 1, 2023

Purpose

As required pursuant to the listing standards of the Stock Exchange (as defined below), Section 10D of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), and Rule 10D-1 under the Exchange Act, each of The Southern Company ("***Southern***") and Southern's subsidiaries that are listed issuers on the Stock Exchange (collectively with Southern, the "***Covered Companies***") has adopted this Compensation Recoupment Policy (the "***Policy***") to empower each Covered Company to recover Covered Compensation (as defined below) erroneously awarded to its Covered Officers (as defined below) in the event of an Accounting Restatement (as defined below). The Covered Companies as of the date hereof are set forth on Exhibit A attached hereto. For purposes of this Policy, with respect to a Covered Company, "***Stock Exchange***" means the New York Stock Exchange or any other national securities exchange or national securities association on which such Covered Company is a listed issuer.

Notwithstanding anything in this Policy to the contrary, at all times, this Policy remains subject to interpretation and operation in accordance with the final rules and regulations promulgated by the U.S. Securities and Exchange Commission (the "***SEC***"), the final listing standards adopted by the Stock Exchange, and any applicable SEC or Stock Exchange guidance or interpretations issued from time to time regarding such Covered Compensation recovery requirements (collectively, the "***Final Guidance***"). Questions regarding this Policy should be directed to the General Counsel of Southern Company Services, Inc.

Policy Statement

Unless a Clawback Exception (as defined below) applies, a Covered Company will recover reasonably promptly from each of its Covered Officers (as defined below) the Covered Compensation Received (as defined below) by such Covered Officer in the event that such Covered Company is required to prepare an accounting restatement due to the material noncompliance of the Covered Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (each, an "***Accounting Restatement***"). If a Clawback Exception applies with respect to a Covered Officer, the applicable Covered Company may forgo such recovery under this Policy from such Covered Officer.

Covered Officers

For purposes of this Policy, with respect to a Covered Company, "***Covered Officer***" is defined as the Covered Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Covered Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Covered Company. The Covered Officers of a Covered Company will be determined by the Compensation and Talent Development Committee (the "***Committee***") of the Board of Directors of Southern (the "***Board***") from time to time in accordance with the Final Guidance. Covered Officers include, at a minimum, "executive officers" of the Covered Company as defined in Rule 3b-7 under the Exchange Act and identified under Item 401(b) of Regulation S-K.

Covered Compensation

For purposes of this Policy, for each Covered Company:

- "***Covered Compensation***" is defined as the amount of Incentive-Based Compensation (as defined below) Received during the applicable Recovery Period (as defined below) that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received during such Recovery Period had it been determined based on the relevant restated amounts, and computed without regard to any taxes paid.

Incentive-Based Compensation Received by a Covered Officer of the Covered Company will only qualify as Covered Compensation if: (i) it is Received on or after October 2, 2023; (ii) it is Received after such Covered Officer begins service as a Covered Officer; (iii) such Covered Officer served as a Covered Officer at any time during the performance period for such Incentive-Based Compensation; and (iv) it is Received while the Covered Company has a class of securities listed on a national securities exchange or a national securities association.

For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of erroneously awarded Covered Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of such Incentive-Based Compensation that is

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deemed to be Covered Compensation will be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was Received, and the Covered Company will maintain and provide to the Stock Exchange documentation of the determination of such reasonable estimate.

- "***Incentive-Based Compensation***" is defined as any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure (as defined below). For purposes of clarity, Incentive-Based Compensation includes compensation that is in any plan, other than tax-qualified retirement plans, including long term disability, life insurance, and supplemental executive retirement plans, and any other compensation that is based on such Incentive-Based Compensation, such as earnings accrued on notional amounts of Incentive-Based Compensation contributed to such plans.

- "***Financial Reporting Measure***" is defined as a measure that is determined and presented in accordance with the accounting principles used in preparing the Covered Company's financial statements, and any measures that are derived wholly or in part from such measures. Stock price and total shareholder return are also Financial Reporting Measures.

- Incentive-Based Compensation is deemed "***Received***" in the Covered Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

Recovery Period

For purposes of this Policy, for each Covered Company, the applicable "***Recovery Period***" is defined as the three completed fiscal years immediately preceding the Trigger Date (as defined below) and, if applicable, any transition period resulting from a change in the Covered Company's fiscal year within or immediately following those three completed fiscal years (provided, however, that if a transition period between the last day of the applicable Covered Company's previous fiscal year end and the first day of its new fiscal year comprises a period of nine to 12 months, such period would be deemed to be a completed fiscal year).

For purposes of this Policy, for each Covered Company, the "***Trigger Date***" as of which the Covered Company is required to prepare an Accounting Restatement is the earlier to occur of: (i) the date that the Board, applicable Board committee, or officers authorized to take action if Board action is not required, concludes, or reasonably should have concluded, that the Covered Company is required to prepare the Accounting Restatement or (ii) the date a court, regulator, or other legally authorized body directs the Covered Company to prepare the Accounting Restatement.

Clawback Exceptions

Each Covered Company is required to recover all Covered Compensation Received by a Covered Officer of such Covered Company in the event of an Accounting Restatement unless (i) one of the following conditions are met and (ii) the Committee has made a determination that recovery would be impracticable in accordance with Rule 10D-1 under the Exchange Act (under such circumstances, a "***Clawback Exception***" applies):

- the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered (and the Covered Company has already made a reasonable attempt to recover such erroneously awarded Covered Compensation from such Covered Officer, has documented such reasonable attempt(s) to recover, and has provided such documentation to the Stock Exchange);

- recovery would violate home country law that was adopted prior to November 28, 2022 (and the Covered Company has already obtained an opinion of home country counsel, acceptable to the Stock Exchange, that recovery would result in such a violation, and provided such opinion to the Stock Exchange); or

- recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Covered Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code and regulations thereunder. For purposes of clarity, this Clawback Exception only applies to tax-qualified retirement plans and does not apply to other plans, including long term disability, life insurance, and supplemental executive retirement plans, or any other compensation that is based on Incentive-Based Compensation in such plans, such as earnings accrued on notional amounts of Incentive-Based Compensation contributed to such plans.

Prohibitions

Each Covered Company is prohibited from paying or reimbursing the cost of insurance for, or indemnifying, any of its Covered Officers against the loss of erroneously awarded Covered Compensation.

Administration and Interpretation

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The Committee will administer this Policy in accordance with the Final Guidance, and will have full and exclusive authority and discretion to supplement, amend, repeal, interpret, terminate, construe, modify, replace and/or enforce (in whole or in part) this Policy, including the authority to correct any defect, supply any omission or reconcile any ambiguity, inconsistency or conflict in the Policy, subject to the Final Guidance. The Committee will review the Policy from time to time and will have full and exclusive authority to take any action it deems appropriate.

The Committee will have the authority to offset any compensation or benefit amounts that become due to the applicable Covered Officers of a Covered Company to the extent permissible under Section 409A of the Internal Revenue Code of 1986, as amended, and as it deems necessary or desirable to recover any Covered Compensation.

This Policy shall not preclude any other compensation recoupment or clawback policies, arrangements or provisions of a Covered Company ("***Other Recovery Provisions***"); to the extent recovery of compensation is achieved by such Covered Company under this Policy, there shall be no duplication of recovery under Other Recovery Provisions, except as may be required by law.

Each Covered Officer, upon being so designated or assuming such position, is required to execute and deliver to the General Counsel of Southern Company Services, Inc. an acknowledgment of and consent to this Policy, in a form reasonably acceptable to and provided by Southern from time to time, (i) acknowledging and consenting to be bound by the terms of this Policy, (ii) agreeing to fully cooperate with the Covered Companies in connection with any of such Covered Officer's obligations to the Covered Companies pursuant to this Policy, and (iii) agreeing that a Covered Company may enforce its rights under this Policy through any and all reasonable means permitted under applicable law as it deems necessary or desirable under this Policy.

Disclosure

This Policy, and any recovery of Covered Compensation by a Covered Company pursuant to this Policy that is required to be disclosed in such Covered Company's filings with the SEC, will be disclosed as required by the Securities Act of 1933, as amended, the Exchange Act, and related rules and regulations, including the Final Guidance.

EXHIBIT A
Covered Companies
(as of October 11, 2023)

- The Southern Company
- Georgia Power Company
- Southern Power Company

THE SOUTHERN COMPANY
AND COVERED SUBSIDIARIES

Compensation Recoupment Policy Acknowledgment and Consent

The undersigned hereby acknowledges that he or she has received and reviewed a copy of the Compensation Recoupment Policy (the "***Policy***") of The Southern Company ("***Southern***") and Southern's subsidiaries that are listed issuers on the New York Stock Exchange (collectively with Southern, the "***Covered Companies***"), effective as of December 1, 2023, as adopted by the Board of Directors of each Covered Company.

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Pursuant to such Policy, the undersigned hereby:

- acknowledges that he or she has been designated as (or assumed the position of) a “Covered Officer” as defined in the Policy;
- acknowledges and consents to the Policy;
- acknowledges and consents to be bound by the terms of the Policy;
- agrees to fully cooperate with any Covered Company in connection with any of the undersigned’s obligations to such Covered Company pursuant to the Policy; and
- agrees that any Covered Company may enforce its rights under the Policy through any and all reasonable means permitted under applicable law as such Covered Company deems necessary or desirable under the Policy.

ACKNOWLEDGED AND AGREED:

Name: **[NAME]**

Date: **[DATE]**

[Compensation Recoupment Policy Acknowledgement and Consent]

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