

18-02598-FOIA

July 18, 2018

U.S. Securities and Exchange Commission
Office of FOIA Services
100 F Street, NE Mail Stop 2745
Washington, DC 20549-5100



Dear FOIA Office:

Under the Freedom of Information Act (FOIA), we are requesting a copy of the following:

SOUTHERN CO comment letters.
DOC_DATE: 1/1/2001 to 12/31/2006
CIK_NUM: 0000092122

Process this request up to our education-use entitlements.

Thank You,

Dr. Amy Hutton
Boston College
Carroll School of Management,
Chestnut Hill, Massachusetts 02467

[REDACTED]
[REDACTED]



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
STATION PLACE
100 F STREET, NE
WASHINGTON, DC 20549-2465

Office of FOIA Services

August 22, 2018

Dr. Amy P. Hutton
Boston College
Carroll School of Management
Chestnut Hill, MA 02467

RE: Freedom of Information Act (FOIA), 5 U.S.C. § 552
Request No. **18-02598-FOIA**

Dear Dr. Hutton:

This letter is in response to your request, dated and received in this office on July 25, 2018, for access to comment letters relating to Southern Co. issued from January 1, 2001 to December 31, 2006.

The search for responsive records has resulted in the retrieval of 36 pages of records that may be responsive to your request. They are being provided to you with this letter.

If you have any questions, please contact me at osbornes@sec.gov or (202) 551-8371. You may also contact me at foiapa@sec.gov or (202) 551-7900. You also have the right to seek assistance from Ray J. McInerney as a FOIA Public Liaison or contact the Office of Government Information Services (OGIS) for dispute resolution services. OGIS can be reached at 1-877-684-6448 or Archives.gov or via e-mail at ogis@nara.gov.

Sincerely,

A handwritten signature in cursive script that reads "Sonja Osborne".

Sonja Osborne
FOIA Lead Research Specialist

Enclosures

January 30, 2002

Mr. Gale E. Klappa
Financial Vice President, Chief Financial Officer and Treasurer
The Southern Company
270 Peachtree Street, N.W.
Atlanta, GA 30303

Re: The Southern Company
Form 10-K for the year ended December 31, 2000
File No. 1-3526

Dear Mr. Klappa:

We have reviewed your filing for compliance with the requirements of SAB Topic 5:Y and have the following comments we think you should consider in preparing your Form 10-K for the year ended December 31, 2001.

Note 3 - Contingencies and Regulatory Matters - California
Electricity Markets Litigation

1. We refer you to the five lawsuits that have been filed in the superior courts of California alleging that certain owners of electric generation facilities in California, including Southern Company, engaged in various unlawful and anticompetitive acts that served to manipulate wholesale power markets and inflate wholesale electricity prices in California.

* If an exposure to loss exists in excess of the amount accrued, please disclose an estimate of the possible loss or range of loss or state that such an estimate cannot be made, as required by paragraph 10 of SFAS 5. In accordance with FIN 39 and SAB Topic 5:Y, do not consider any expected insurance recoveries unless the conditions of FIN 39 are met.

* If material, disclose the amount accrued in accordance with paragraph 9 of SFAS 5.

* Please provide disclosure about your concentrations of credit risk and uncertainties related to recoveries from your insurance carrier, as required by SOP 94-6 and SFAS 133 (previously in SFAS 107).

* Additionally, your disclosures regarding this loss contingency may need to be expanded in the sections of the document that comply with the Regulation S-K requirements of Items 101 Description of Business and 303 Management's Discussion and Analysis; see Question 6 of SAB Topic 5:Y.

2. We reviewed your Form 10-Q for the quarter ended September 30, 2001 to determine the current status of these contingencies. We note however that you simply referred readers to the disclosures previously provided in your Form 10-K for the year ended December 31, 2000. We refer you to Rule 10-01(a)(5) and remind you to provide comprehensive and updated disclosures regarding your material contingencies in your quarterly reports.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filings. We look

forward to working with you in these respects. Please direct any questions to Jeanne Baker at (202) 942-1835 or me at (202)-942-1798.

Sincerely,

John Hartz
Senior Assistant Chief Accountant

Gail E Klappa
Executive Vice President, Chief Financial
Officer & Treasurer
The Southern Company
270 Peachtree Street, N.W.
Atlanta, GA 30303

Re: The Southern Company
Form S-3
File No. 333-101349
Filed November 20, 2002

Form 10-K for the period ending December 31, 2001
Form 10-Qs for the periods ending March 31, 2002,
June 30, 2002 and September 30, 2002
Form 8-Ks filed January 29, 2001, January 30, 2001,
February 13, 2002, March 28, 2002, July 24, 2002,
August 12, 2002 and November 25, 2002

Dear Ms. Klappa:

We have reviewed the filings listed above and have the following comments. Accounting comments are followed by an (A). Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filings. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

I. Form S-3

General

1. Please advise us of your consideration as to whether the provisions of Regulation M, including Rule 102 thereunder, are applicable to the provisions of the Southern Investment Plan permitting the purchase by non-shareholders of shares of your common stock directly from the registrant. If you do not believe Regulation M is applicable to your offering, please tell us the reasons why you have reached this conclusion. We may have further comment.

2. We note your references to your Web site in the filings,

including the Form S-3. Please confirm that all material information about your company on your Web site is reflected in or incorporated by reference into your prospectus.

3. Consider revising to include summary information regarding your historic payment of dividends. You do not necessarily need to include a full chart as you do in your periodic reports, but due to the fact that investors may make an investment decision based on your payment of dividends for reinvestment purposes, this information may be useful to make an investment decision.

4. You must present the information in your prospectus in a clear, concise and understandable manner. While we believe the use of the question and answer format to describe the key provisions of the Southern Investment Plan is useful, certain other sections of your prospectus do not adhere to the plain English principles. For example, the use of "heretofore" and "therewith" are not plain English. Please also avoid using all capital letters to emphasize text throughout your prospectus, and consider using bold font instead.

5. Please confirm that if you intend to distribute Rule 424 stickers to Plan participants who have previously received a copy of the Plan prospectus, such stickers will include a legend indicating that a full prospectus will be provided upon request. See Division of Corporation Finance Telephone Interpretations Manual No. B83, July 1997.

Cover Page of the Registration Statement

6. Because the Southern Investment Plan permits purchases of common stock by participants other than employees, your reference to Rule 457(h)(1) regarding the calculation of the registration fee is not appropriate. Please revise and provide the appropriate reference in Rule 457.

Cover Page of Prospectus

7. You may only have one outside cover page to the prospectus. As such, please consider combining the current cover page with the page after the Table of Contents. See Item 501(b) of Regulation S-K.

8. Please include the amount of the securities to be offered on the cover page of the prospectus. See Item 501(b)(2) of Regulation S-K.

9. Please note that Item 501(b)(3) of Regulation S-K requires the registrant to state the price of the securities as well as the net proceeds received by the registrant. As such, please include a summary of the method by which the price of the common stock is to be determined, as well as the net proceeds to you after deducting the costs and expenses set forth in the Southern Investment Plan.

10. Please list the trading symbol for the common stock on the New York Stock Exchange. See Item 501(b)(4) of Regulation S-K.

Inside Front and Outside Back Cover Pages of Prospectus

11. The Table of Contents must appear on either the inside front or outside back cover page of the prospectus. See Item 502 of Regulation S-K.

Available Information

12. Please move this information so that it appears elsewhere in the prospectus. The forepart of the prospectus should only include investment related information, such as the cover page and the prospectus summary. We suggest moving this information to the "Incorporation of Certain Documents by Reference" section. See Item 12(c) of Form S-3. In addition, please consider revising this section to remove certain information which is redundant with other parts of the prospectus. See Staff Legal Bulletins No. 7 and 7A.

Prospectus Summary

13. Item 503 of Regulation S-K requires you to provide a brief summary of the key aspects of the offering. We do not believe you have adequately summarized the terms of the Southern Investment Plan.

As such, please consider revising your prospectus summary to briefly highlight those aspects of the Plan that you believe are the most significant. Aspects you may want to consider including are: participation in the Plan and the minimum and maximum participation required; the available options for reinvesting or receiving dividends; use of proceeds; the investment periods and options for purchasing shares of common stock; how and when participants may withdraw from the Plan; and the costs and expenses that will be borne by the participants in the Plan

Risk Factors

14. Item 503(c) of Regulation S-K requires you to provide under the caption "Risk Factors" a discussion of the most significant factors that make the offering speculative or risky. The risk factors may be incorporated by reference from your periodic reports; however, in reviewing your Form 10-K and Forms 10-Q, we do not see a separate section summarizing the risks related to your common stock. As such, please provide, in plain English, a summary of the risks related to your company, with each risk factor under a subcaption that adequately describes the risk. We note your question 48 in the Plan, and the "Cautionary Statement Regarding Forward-Looking Information" section of your Form 10-K. The risk factors should immediately follow the prospectus summary section and you should revise your Table of Contents accordingly.

The Southern Investment Plan

15. You state that the enrollment in the Plan for new investors will begin after a properly completed New Investor Enrollment Form has been received and accepted by the Administrator. When does enrollment begin for the other prospective participants you mention, such as employees and current shareholders?

16. The staff has taken the position that where there is a delay between a voluntary cash payment and investment in issuer shares which exceeds 30 days, a separate security may be created which requires registration. You state that the purchase of shares pursuant to cash payments will likely be completed "no longer than 35 days after receipt of cash payments." Please consider reducing the delay in investment of optional cash payments by Plan participants to less than 30 days.

17. Please revise your question 45 to clarify that this limited liability provision does not extend to violations of the federal securities laws.

Incorporation of Certain Documents by Reference

18. Please revise this section to include the additional Form 8-K you filed on November 25, 2002.

19. The undertaking you currently have regarding the provision of all documents incorporated by reference which is set forth as part of the "Available Information" section of the prospectus should be moved to this section. In addition, please revise this paragraph to conform to the requirements of Item 12(c)(1) of Form S-3.

20. Please include an Experts section or explain to us why one is not required. Please also include the required disclosures regarding your inability to obtain from Arthur Andersen a reissued report and a consent. In addition, please clearly disclose the limitations on recovery by investors from Arthur Andersen posed by the lack of a consent. See Rule 2-02(e) of Regulation S-X and Securities Act Rule 437a. (A)

Appendix A

21. You state in question 34, and again under the caption "Federal Income Tax Consequences", that duplicate copies of the relevant statements or replacement information may entail a fee. Yet Appendix A indicates that no such fee is required for those documents. Please clarify this disclosure.

Exhibits

22. You must include in your exhibit index a reference to the legal opinion of Troutman Sanders LLP which includes their consent to the use of their opinion. See Item 601(b)(23).

23. Please file as an exhibit, or incorporate by reference, a form of common stock certificate as Exhibit 4.3, especially since your plan participants may request certificates.

II. Form 10-K for the Year Ended 12/31/01

General

24. Please note that comments designated with an (A) below, unless otherwise specifically noted, address accounting practices, presentation and disclosure matters of Southern Company and its subsidiaries on a consolidated basis. In our interest to reduce the volume of accounting comments, we have not addressed each subsidiary with a separate comment if applicable to their facts and circumstances. If you agree to a revision, we would also expect a concurrent change be made in your subsidiary-level filings, including, but not limited to, the following entities:

- * Alabama Power Company
- * Georgia Power Company
- * Gulf Power Company
- * Mississippi Power Company
- * Savannah Electric and Power Company
- * Southern Power Company

Please confirm to us your agreement with this objective. Please also let us know if we have omitted one of your public subsidiaries in preparing the list above. (A)

Cover Page

25. Please confirm that in your future filings of each of your Forms 10-K and 10-Q you will include and indicate that you are an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). In addition, with respect to your Form 10-K, please supplementally confirm that the aggregate market value you list includes both your voting and non-voting stock, as required by the instructions to the Form 10-K.

Part I, Item 1-Business

26. In numerous places in the Form 10-K, as well as in your subsequent filings, you state that Southern Power, formed in January 2001, will be the "primary growth engine" for your competitive wholesale market-based energy business, or is a "fast-growing competitive generation company". We also note the Item 9 Form 8-K you filed on June 11, 2002 which provides a description of the current and intended business of Southern Power. In your future filings where you describe your business, please consider providing investors with more information regarding the business activities of Southern Power. Please also consider whether it would be appropriate to incorporate the June 11th Form 8-K by reference into your Form S-3. You may also want to include additional material information, such as competition you may or may not face in the Super Southeast market in which you operate.

27. We note several places you refer to "firm" agreements (i.e., Territory Served by Operating Companies ("In 1986, Alabama entered into a firm power sales contract..."); Long-Term Power Sales and Lease Agreements ("These agreements are firm and related to...")). Please supplementally advise us what you mean by "firm".

Other Business

28. Please supplementally advise us how the termination of your ownership interest in MESH would impact the company, if at all. You also mention that your "guarantee obligations" would continue-what are those obligations? We note your disclosure in Note 3 to

Southern's financial statements.

Fuel Supply

29. In future filings, please clarify what the numbers in the first table in this section depict. For example, are these the numbers of plants that use the type of fuel indicated?

30. If you or any of your subsidiaries are substantially dependent on any or a few source(s) of oil and gas supplies, please disclose this in your future filings. Please consider discussing the extent to which you are dependent on foreign oil and consider what, if any, material risks you face as a result of such dependence.

Territory Served by the Operating Companies

31. You state that Alabama sells, and cooperates with dealers in the sale of, electric appliances. This seems substantially different from your business, which is the generation, sale and purchase of electricity. If material, please elaborate on the nature and extent of Alabama's activities in future filings.

Part II, Item 5-Market Information

32. Please include in your future filings a cross reference to the specific discussion of the restrictions which materially limit the subsidiaries ability to pay dividends in MD&A and the respective financial statements. See Item 201(c) of Regulation S-K.

Part II, Item 7-MD&A-Southern

33. In future filings, please revise to discuss dividends paid in each of the last three years. (A)

34. Generally, Management's Discussion and Analysis should provide a discussion of the full three-year period covered by your financial statements. In future filings, please revise your columnar presentations to include the financial statement amounts of the various items being discussed for each of the last three years rather than only the most recent year and the changes currently shown. (A)

35. Under "Results of Operations-Southern Company Business Activities-Revenues", you state that revenues from energy sales for resale outside the service area increased sharply, primarily due to new contracts. You further state that as you continue to increase your competitive wholesale generation business, you anticipate such sales should increase over the near term. Please supplementally advise us as to what affect, if any, the California energy crisis and the current uncertainty regarding the deregulation of such crisis may have upon your wholesale (not retail) business and the resulting revenues.

36. In your future filings, when you provide more than one reason for changes in a line item you should quantify the various reasons given to the greatest extent practicable. In addition, you should discuss what portion of the changes in revenues is attributable to changes in price and what portion is attributable to changes in volume. (A)

37. Under "Results of Operations-Southern Company Business Activities-Expenses", you state that the moderate increase in operating expenses was due, in part, to "tighter cost containment measures". Supplementally, with a view toward future disclosure, tell us the nature of these measures.

38. In your future filings, please provide clear disclosure specifically identifying and describing the internal and external sources of liquidity as well as any material unused sources of liquid assets for Southern Company and each of its subsidiaries, or supplementally advise us if you believe this disclosure is not necessary. See Item 303(a)(1) of Regulation S-K and Instruction 5 thereto. In addition, we note under "Financing Programs" in your Business section that Southern Power has a revolving credit line of \$850 million. Please tell us why this is not mentioned in MD&A, or

please refer us to where it is so discussed.

39. In your future filings, please provide additional disclosure under "Sources of Capital", for Southern Company and each of its subsidiaries, clearly setting forth the anticipated source of funds to fulfill your disclosed commitments. For example, regarding Southern Company, you state that it has budgeted \$2.8 billion in construction costs for 2002, and \$2.4 billion will be required by the end of 2004 for present improvement fund requirements and maturities of long-term debt. It is not clear under Southern Company's "Sources of Capital" where you anticipate obtaining the funds to fulfill these obligations. In this regard, we note that only \$1.5 billion of your unused credit arrangements at December 31, 2001 have expiration dates beyond 2002. See Item 303(a)(2) of Regulation S-K. Please supplementally advise us if you believe this disclosure is not necessary. (A)

40. In your future filings, please provide a discussion of the fact that your current liabilities exceed your current assets at the end of each of the last two fiscal years. (A)

Financial Statements of Southern Company
General

41. Please tell us whether you enter into purchase and sales transactions with an independent system operator or a similar entity, such as an RTO. If so, tell us the regions and ISOs that you deal with. Also, tell us how you account for your initial sales of power to the ISO, your subsequent repurchases from the ISO or all or a portion of that power to supply your customers' needs, and your sales of the repurchased power to your customers. In doing so, tell us whether you account for these types of transactions on a gross basis (as two sales) or on a net basis (as one sale). Also tell us the GAAP literature that you relied upon for your accounting treatment, and specifically how you applied it to your fact pattern. (A)

42. Please disclose in future filings for each income statement presented the amount of Environmental Protection and Monitoring expenditures, if any, including expenditures for complying with the Clear Air Act, The Federal Clean Water Act, the Comprehensive Environmental Response, Compensation and Liability Act, The Electromagnetic Fields and the Energy Policy Act of 1992. Please also disclose known expenditures to be incurred in future periods. (A)

43. We note from your disclosures on page II-32 that you have recognized \$33 million in cumulative expenses through December 31, 2001 for the assessment and anticipated cleanup of sites on the Georgia Hazardous Sites Inventory and \$6 million for Georgia's agreed-upon share of the removal and remedial investigation and feasibility study costs for the Brunswick site for which you have were designated as a PRP. You have stated that based on the currently known conditions at these sites and the nature and extent of Georgia's activities relating to these sites you do not believe that your cumulative liability at these sites would be material to your financial statements. Please tell us supplementally and disclose in future filings the amounts accrued at each balance sheet date for these and any other environmental liabilities. As part of your revised disclosures, please explain the significant assumptions used to estimate the amounts of the accruals you have established and explain the nature of any circumstances that could impact the reliability of your estimates. If an exposure to loss exists in excess of amounts accrued, please disclose an estimate of the possible loss or range of loss or state that such an estimate cannot be made, as required by paragraph 10 of SFAS 5. In accordance with FIN 39 and SAB Topic 5:Y, do not consider any expected insurance

recoveries unless the conditions of FIN 39 are met. Please supplementally provide the same information and disclosures in future filings for any legal or other liabilities for which you have amounts accrued. If your response is that you are unable to determine a range of loss, please provide details of the stage of each environmental or other liability to support this assertion. (A)
Consolidated Statements of Income, Page II-19

44. Please revise future filings to eliminate the Earnings From Continuing Operations Before Interest and Income Taxes sub-total. (A)

45. Please tell us and disclose in future filings what you are presenting interest expense net of. We note that interest income is already shown in a separate line item. (A)

46. Please revise future filings to present the regulated and non-regulated portions of your revenue and operating expenses in separate line items on the face of your income statement. See Rules 5-03.1 and 2 of Regulation S-X. Please show us what your revised presentation will look like. (A)

Consolidated Statements of Cash Flows, page II-20

47. Your netting of cash flows related to other assets and other liabilities in the operating activities section of your statements of cash flows is not appropriate. Revise future filings to present cash flows related to other assets separately from those related to other liabilities. In addition, the larger components of the other, net line item in the adjustments to reconcile net income to net cash provided from operating activities and the other line items in the investing and financing sections of the cash flow statement should be broken out. See SFAS 95. Please show us what your revised future presentation will look like. (A)

48. In future filings, please provide disclosure in one location, either on the face of the statement of cash flows or in a note, of all non-cash investing and financing transactions. (A)

49. The interest paid in cash during the year line item should also disclose the amounts of interest capitalized that are being netted. In addition, your total interest cost (cash and non-cash) incurred during the period, along with the amount expensed and the amount capitalized, should be disclosed in future filings for each period in a footnote as well. Please also disclose your interest capitalization policy in a footnote. See SFAS 34, including paragraph 21. Please show us what your revised presentation and disclosures will look like. (A)

Consolidated Balance Sheets, page II-21 and II-22

50. Please revise future filings to present unbilled revenue as a separate line item from receivables or disclose the amounts accrued as unbilled. See Rule 5-02(c) of Regulation S-X for analogous guidance. (A)

Consolidated Statements of Common Stockholders` Equity, page II-25

51. In future filings, please breakout in greater detail the amounts included in Other that increased paid-in-capital by \$552 in 2000. Please also discuss them in a footnote. Please show us what the revised presentation and disclosures will look like. (A)

Consolidated Statements of Other Comprehensive Income, page II-25

52. Please tell us supplementally why the other comprehensive loss from discontinued operations for 2001 is \$315 per this statement when only \$93 has been reflected as an adjustment to accumulated other comprehensive income from discontinued operations in the Consolidated Statements of Common Stockholders` Equity. (A)

Notes to Financial Statements-Southern Company

Note 1

53. Please tell us and disclose in future filings how the 20-year

life extension on Plant Hatch will impact depreciation and amortization and nuclear decommissioning in future years. (A)

54. We note from the disclosure on page I-23 that in substantially all of its coal reserve lands, SEGCO owns or will own the coal only, with adequate rights for mining and removal. Please tell us supplementally and disclose in future filings the amount of coal reserves reflected in your financial statements and how you account for the both the asset and the related costs in your financial statements. (A)

Regulatory Assets and Liabilities, page II-26

55. In future filings, please present regulatory assets separately from regulatory liabilities on the face of your balance sheets, unless legal right of setoff under FIN 39 exists. Also, tell us and disclose the specific financial statement line items in which these regulatory assets and liabilities are included, along with the related amounts as of each balance sheet date. If any amounts included in your regulatory assets do not earn a current return, please disclose in future filings the nature and amount of these assets and the remaining recovery period. See paragraph 20 of SFAS 71. Please show us your revised disclosure. (A)

Property, Plant and Equipment, page II-28

56. Disclose your accounting policy for planned major maintenance projects. If you accrue for these costs prior to the periods in which they are actually incurred, disclose this fact. If you accrue for these costs in advance, also disclose the nature of each planned maintenance project, the period over which each project will occur, the total expected cost of each project, when you begin accruing the related costs, the amounts that you accrued in each period related to each project in advance of the costs actually being incurred, and the related amounts still to be accrued. (A)

Note 2. Retirement Benefits, page II-30

57. You have used a discount rate of 7.5% as of December 31, 2001. We assume that the discount rate you will use as of December 31, 2002 will be substantially lower. Please supplementally tell us what that rate will be. If the discount rate did not decrease by at least 1%, please tell us the benchmark that you have consistently used in determining your discount rate and what that rate was as of the last date it was made available. Please tell us why the benchmark you are using is acceptable for use as the discount rate. (A)

Note 7. Common Stock, page II-36

58. In future filings, please revise the pro forma presentation to present pro forma earnings per share compared to the reported amounts rather than just disclosing the impact on earnings per share. (A)

Note 8. Financing, page II-37

59. Please tell us and disclose in future filings the significant debt covenants under each of your financing arrangements and the repercussions of not meeting them. Also, disclose the existence of any cross-default provisions. Please also disclose whether you were in compliance with all of your debt covenants for each period presented. (A)

Note 9. Commitments, page II-39

60. We note your disclosure regarding a 10-year operating lease with Escatawpa Funding, a SPE formed to use a combined-cycle generating facility located at Mississippi's Plant Daniel (page II-13) and also a SPE for a financial arrangement with WestLB to assign \$125 million

in vendor contracts for equipment to WestLB. For each SPE, please tell us its business purpose and address each of the conditions required by EITF 90-15 for assessing whether a SPE should be consolidated. See also EITFs 96-20, 96-21, 97-1 and 97-10, as applicable. Please also provide us with the expanded footnote disclosures you will include in your future filings to better explain the business purpose for each type of SPE and the extent of your use of SPEs and other off-balance sheet transactions. (A)

61. You disclose that Southern Company remains obligated pursuant to guarantees to certain counterparties regarding performance of contractual commitments by Mirant's trading and marketing subsidiaries (in a notional amount of \$53 million, expiring by 2007). Please consider disclosing this information in your future filings (Forms 10-K and 10-Q) in connection with your discussion of Mirant. We do note that Mirant is required to indemnify Southern Company for any obligations incurred.

Notes to Financial Statements-Alabama

62. We note your disclosure under Note 4 regarding Southern Company's obligation to contribute funds to Southern Power in order to fund Southern Power's obligations as an equipment purchaser of Alabama, as well as the guarantee provided by Southern Company. If this arrangement is still in effect, please consider providing disclosure in Southern Company's MD&A in your future filings regarding this arrangement.

Part III

General

63. In your future filings, including those for your subsidiaries, when you are incorporating by reference, please specifically identify the page, caption or other reference in the document that you are incorporating so that investors can easily locate your incorporated information. For example, in Southern Company's Form 10-K, you refer investors to "Election of Directors" in the proxy statement, but in reality, an investor must see "Nominees for Election of Director", "Executive Compensation", "Stock Ownership Table", etc. to view the information required by the Form 10-K. See Exchange Act Rule 12b-23(b).

Directors-Southern

64. In your future filings, please indicate the term of office for each director. For example, how long will each director serve until he/she is up for reelection? See Item 401(a) of Regulation S-K.

Compliance with Section 16(a) of the Exchange Act-Southern

65. Under Item 405 of Regulation S-K, under the caption "Section 16(a) Beneficial Ownership Reporting Compliance", you need to specifically identify your directors, officers and beneficial owners that failed to file their required reports in a timely manner. You state "Messrs. Amos and Evans filed amended reports...amending their initial holdings of the securities of the Company and its subsidiaries." This does not tell investors if these reports were late, the number of transactions that were late, or the other information required by Item 405. See Item 405 of Regulation S-K. In your future filings, please include the information required by Item 405.

Summary Compensation Table-Southern

66. Please supplementally tell us if the restricted stock award values of Messrs. Franklin and Harris in footnote 2 represent the value of such awards as of the end of the last completed fiscal year. See Item 402(b)(2)(iv)(A) and Instruction 2 thereto.

Compensation Committee Interlocks-Southern

67. Please tell us why you did not include the compensation Committee Interlocks and Insider Participation information required by Item 402(j) of Regulation S-K, or please refer us to where it is

included. In addition, please be sure to include in your future filings the information required by Item 402(j)(1)(iii) of Regulation S-K for Southern Company and each subsidiary. For example, with respect to Alabama, we note the disclosure under "Certain Relationships and Related Transactions" regarding Messrs. Armstong and Malone, and with respect to Georgia, we note the disclosure under "Certain Relationships and Related Transactions" regarding Mr. Vereen and Ms. Cablik.

Board Compensation Committee Report-Southern

68. Item 402(k) of Regulation S-K requires the Compensation Committee to discuss the factors and quantitative and qualitative criteria upon which the CEO's compensation was based, including a specific discussion of the relationship of the registrant's performance to the CEO's compensation. In Southern Company's Compensation Committee disclosure, you state "Mr. Dahlberg received twice the amount per share paid to the other executives". Why? Why did Mr. Franklin not receive such payment? Please provide more detail in your future filings regarding the compensation Southern Company and each of its subsidiaries have paid to its respective CEO. In addition, you should avoid boilerplate language in describing such awards and compensation.

Performance Graph-Southern

69. Please supplementally tell us why you elected to include the dividend to Mirant Corporation in the performance graph without footnoting the circumstances surrounding the one-time spin off of such company or the effect of this dividend on the calculation of shareholder return for 2001. We note your disclosure that "The distribution of shares of Mirant Corporation stock to Company shareholders effective April 1, 2002 is treated as a special dividend for purposes of calculating the shareholder return."

Certain Relationships and Related Transactions-Southern

70. Please tell us where you have disclosed the information required by Item 404 of Regulation S-K, or, if you believe that no disclosure is necessary, please so state. We note your disclosures regarding the Severance Agreements of Messrs. Dahlberg and Harris.

Compliance with Section 16(a) of the Exchange Act-Alabama

71. Please tell us where you have disclosed the information required by Item 405 of Regulation S-K or, if you have not included such information, please tell us why.

Summary Compensation Table-Alabama

72. In your future filings, please disclose the restricted stock award value of Mr. Harris (in footnote 1) as of the end of the last completed fiscal year. See Item 402(b)(2)(iv)(A) and Instruction 2 thereto.

Board Compensation Committee Report-Alabama

73. Please supplementally advise us as to the role the Compensation Committee of each subsidiary plays in compensation or other related decisions of the respective subsidiary. We note that each subsidiary has its own Compensation Committee, but that Southern Company's Compensation Committee issues and signs the Compensation Committee report. Why do the respective subsidiary Compensation Committees not sign such report as well?

Defined Benefit or Actuarial Plan Disclosure-Gulf

74. Please supplementally advise us of the "supplemental pension agreement" you refer to in footnote 1 of this table regarding Mr. Bowden. Is this agreement discussed or disclosed elsewhere in Gulf's Form 10-K? We have the same comment regarding your footnotes 12 and 13 to the Defined Benefit or Actuarial Plan Disclosure table of Savannah with respect to Messrs. Holland and Greer.

Directors and Executive Officers-Savannah

75. In your future filings, please provide the business experience

for the past five years of each of Messrs. Bell, Davis, Gnann, Miller and Tenenbaum. See Item 401(e) of Regulation S-K.

Compensation Committee Interlocks-Savannah

76. Please supplementally advise us if Savannah has a Compensation Committee or, if it does not, please identify each officer and employee of Savannah, if any, who, during 2001, participated in deliberations concerning executive compensation. See Item 402(j) of Regulation S-K.

Board Compensation Committee Report-Savannah

77. Please supplementally advise us as to the location of the information required by Item 402(k) of Regulation S-K regarding the report of the Compensation Committee or, if it is not included, please tell us why.

III. Form 10-Qs

General

78. To the extent applicable, our comments above regarding the MD&A of Southern Company and its subsidiaries apply to the MD&A discussions of the Forms 10-Q. In addition, please address the above comments denoted with an (A) in your future interim filings, as applicable.

79. Please refer us to where you have filed the second amendment to Mr. Harris' Deferred Compensation Agreement, or if you have not filed such amendment, please tell us why. We note the initial agreement, and the first amendment to such agreement, were filed in connection with the Form 10-K.

80. We note in each of your June 30 and September 30 Forms 10-Q that, in June 2002, you formed Southern Company Gas LLC that will operate as a retail gas marketer in the State of Georgia. We also note that Southern Company Gas acquired out of bankruptcy The New Power Company and, as a result, acquired, among other things, such company's 210,000 customers in the State of Georgia, representing a 15% market share, and New Power's natural gas inventory. In your future filings, please consider providing investors with more information regarding the business activities of Southern Company Gas, including, for example, whether or not you intend to enter into similar markets in other states and the source(s) of the natural gas inventory. Please tell us what consideration you have given to including a business description of Southern Company Gas similar to the description you filed regarding Southern.

As appropriate, please file a pre-effective amendment to your registration statement in response to these comments. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We direct your attention to Rules 460 and 461 under the Securities Act of 1933 regarding requesting acceleration of a registration statement. Please allow adequate time after filing any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

You may contact Sondra Snyder at 202.942.3432 or Rufus Decker, Senior Assistant Chief Accountant, at 202.942.1774, if you have questions regarding comments relating to accounting. Please contact Julie A. Bell at 202.942.2906, or me at 202.942.1900, with any other questions.

Sincerely,

/s/ Chris Owings

H. Christopher Owings
Assistant Director

cc: John D. McLanahan, Esq.

1

January 22, 2003

W. Dean Hudson
Controller
The Southern Company
270 Peachtree Street, N.W.
Atlanta, GA 30303

Re: The Southern Company
Amendment No. 1 to Form S-3
File No. 333-101349
Filed January 10, 2003

Form 10-K for the period ending December 31, 2001
Form 10-Qs for the periods ending March 31, 2002,
June 30, 2002 and September 30, 2002
Form 8-Ks filed January 29, 2001, January 30, 2001,
February 13, 2002, March 28, 2002, July 24, 2002,
August 12, 2002 and November 25, 2002

Dear Mr. Hudson:

We have reviewed the filings listed above and have the following legal comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filings. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

I. General

1. Please note that we are considering your response to our prior comment no. 1. We may have additional comments on such response which may be sent under separate letter, if necessary.
2. The accounting comments, if any, and any related legal comments will follow under separate letter.

II. Form S-3

- Risk Factors, p. 4
3. Please revise each of your risk factor subheadings, as

necessary, to clearly identify the risk that follows. The risk factor headings should not be general statements of fact, but rather describe the specific risk(s) entailed by the fact. For example, each of "The Company is subject to substantial regulatory requirements" and "The Company is subject to substantial environmental regulation" state facts, but do not explain the risk contemplated by the facts. See Legal Staff Bulletins 7 and 7R available on our web site. We do note that certain of your risk factor headings, such as "The Company's business is dependent on its ability to successfully access capital markets. The Company's inability to access capital may limit its ability to execute its business plan or pursue improvements and make acquisitions that the Company may otherwise rely on for future growth" do set forth the risk resulting from the fact.

4. Please ensure that the paragraph discussing the risk factor actually discusses the risk entailed in the heading. For example, in "Recent events in the energy markets that are beyond the Company's control...", the second paragraph seems to discuss the risk of new accounting regulations or requirements and not the general increased scrutiny faced by the company as a result of the events you list. Do you have concrete examples of proposed accounting changes, or is this a general risk that, as a result of enhanced scrutiny, there may be increased potential of changes to utility accounting practices? Each risk factor should discuss only one risk. See Legal Staff Bulletins 7 and 7R available on our web site.

5. Please avoid phrases such as "detrimental effect on the Company's business", "which could affect the Company's performance", "may have negative impacts on the Company's business, financial condition or its access to the capital markets", "materially and adversely affect the Company's results of operations or financial condition", "adverse impact" or "the Company can give no assurance" as these phrases do not specifically describe the risk and its effect on your company. Please revise your risk factors to specifically set for the risk(s) to your company.

6. We note in your third quarter Form 10-Q in the first paragraph under "Future Earnings Potential" you state that one of the two major factors which could affect your future earnings is the profitability of the new, competitive market-based wholesale generating facilities being added. While we note your response to our prior comment no. 26, please supplementally tell us as to why you have chosen to not include a risk factor relating to the new wholesale generation market in which you now compete through Southern Power.

7. Please consider that certain investors in the Plan may not be familiar with your company and, as such, terms such as "operating companies" and "Southern Power", may require further explanation. Please consider revising each of your risk factors with this in mind.

"The Company is subject to substantial regulatory requirements.", p. 4

8. Please consider providing brief, but specific examples regarding the amount and levels of regulation to which you and your subsidiaries are subject, as well as the impact on your consolidated business if your requests to, and/or final regulations from, such entities are not favorable or unexpected to the company. For example, it appears from your periodic filings that each time one of the operating companies desires a rate change, it must have such increase approved by FERC and the state public service commission which regulates that company. In other words, given the breadth and depth of regulation to which you are subject, some concise, but concrete examples may provide context to investors to get a better

sense of the level of approval(s) you must request and receive before undertaking any action. We have the same comment with respect to your risk factor on page 6 regarding the Company's required compliance with environmental regulations. We note that you disclose in your periodic reports ongoing litigation regarding the Clean Air Act and other environmental regulations to which you are subject.

"The regional power market in which the Company and its subsidiaries compete...", p. 5

9. Please be more specific as to how the proposed rule changes by FERC regarding the formation of transmission regulatory organizations are different from the operations of your company and its subsidiaries currently, and the concerns/risks that the company faces with respect to the potential rules implemented by FERC.

"Deregulation or restructuring in the electric industry may result...", p. 5

10. In the second paragraph under this risk factor, please disclose why you believe the barriers to entry are low with respect to entering the wholesale electricity market. In other words, please disclose what you believe are the barriers to entry into this market.

"The Company is subject to substantial environmental regulation.", p. 6

11. Please consider disclosing in this risk factor your historic expenditures relating to compliance with environmental regulations or actions against your company. We note your response to our prior comment 42.

Other Information, p. 24

12. In your answer to Question no. 46, please consider adding a cross reference to your risk factor section on page 4.

Compensation Committee Interlocks-Southern

13. We note your response to our prior comment 67. However, we do not believe you have answered our comment regarding inclusion of the information required by Item 402(j)(1)(iii) of Regulation S-K. Pursuant to this Item, you must disclose in your Compensation Committee Interlocks section any member of the compensation committee which has any relationship requiring disclosure pursuant to Item 404 of Regulation S-K. For example, with respect to Alabama, we note that for each of Messrs. Armstrong and Malone, members of Alabama's compensation committee for the year ending 2001, Alabama included disclosure required by Item 404 of Regulation S-K which should be disclosed or at least referenced pursuant to Item 402(j)(1)(iii). Please confirm that you will include the disclosure required by Item 402(j)(1)(iii) in future filings.

Board Compensation Committee Report-Alabama

14. We note your response to our prior comments no. 73 and 76. Please consider including disclosure related to the role of each subsidiary compensation committee in your future filings. For example, you may want to include in your Corporate Governance section of your Schedule 14C related to each such subsidiary (under the Compensation Committee subsection) disclosure that these committees

provide input to the Southern Company compensation committee on the performance of their respective executive officers but they do not make pay decisions or set the compensation goals for those officers.

Defined Benefit or Actuarial Plan Disclosures-Gulf and Savannah

15. We note your response to our prior comment no. 74. Please consider a cross reference or a more specific description of the "supplemental pension agreement" in your future filings. As appropriate, please file a pre-effective amendment to your registration statement in response to these comments. You may wish to wait until you have also received the accounting comments before you file your next amendment. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We direct your attention to Rules 460 and 461 under the Securities Act of 1933 regarding requesting acceleration of a registration statement. Please allow adequate time after filing any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

You may contact Julie A. Bell at 202.942.2906, or me at 202.942.1900, with any questions you may have on the comments above.

Sincerely,

H. Christopher Owings
Assistant Director

cc: John D. McLanahan, Esq.

January 24, 2003

W. Dean Hudson
Controller
The Southern Company
270 Peachtree Street, N.W.
Atlanta, GA 30303

Re: The Southern Company
Amendment No. 1 to Form S-3
File No. 333-101349
Filed January 10, 2003

Form 10-K for the period ending December 31, 2001
Form 10-Qs for the periods ending March 31, 2002,
June 30, 2002 and September 30, 2002
Form 8-Ks filed January 29, 2001, January 30, 2001,
February 13, 2002, March 28, 2002, July 24, 2002,
August 12, 2002 and November 25, 2002

Dear Mr. Hudson:

We have reviewed the filings listed above and have the following comments. Accounting comments are followed by an (A). Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filings. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

I. Form S-3
General

1. We note your response to our prior comment no. 1 regarding Regulation M. Please supplementally represent to us the following:

a. Southern Company Services, Inc., the administrator of your Plan and your system operator, transfer agent and registrar ("SCS"), is not an affiliate (as such term is defined pursuant to Rule 144 under the Securities Act) of Southern or any of Southern's subsidiaries. If you can not make this representation due to the fact that SCS is

an affiliate of Southern or any of its subsidiaries, please represent to us that SCS will not at any time choose an independent agent which is an affiliate of Southern or any of its subsidiaries.

b. Neither SCS nor Southern will, at any time, exercise, or have the power to exercise, any direct or indirect control or influence over the prices or amounts of the securities to be purchased under the Plan, the timing of, or the manner in which, the securities are to be purchased under the Plan or the selection of a broker or dealer (other than the independent agent itself) through which purchases may be executed under the Plan.

c. The appropriate representatives at SCS have been, and will continue to be, informed of the definition of "agent independent of the issuer" as defined under Rule 100(b) of Regulation M.

In addition, please explain your statement that if the company, during any distributions to non-stockholders of the company under the Plan, desires to purchase its own shares, such purchases will be effected through the use of the independent agent. Rule 102(c)(2) states that purchases and sales "made or effected by or for a plan" are deemed to be purchased by the issuer, unless effected by an agent independent of the issuer. We may have further comment.

Independent Auditor Matters and Experts, p. 27

2. We note you have added an Experts section to the Form S-3 in response to our prior comment no. 20 that includes the disclosures regarding your inability to obtain, after reasonable efforts, Arthur Andersen's consent. However, you have not addressed your inability to obtain a reissued report from Arthur Andersen. You must revise to disclose that the report of Arthur Andersen has not been reissued by them. Refer to Rule 2-02 (e) of Regulation S-X and Securities Act Rule 437a. (A)

Form 10-K for the Year Ended December 31, 2001

Management's Discussion and Analysis, pps. II-8 through II-18

3. We reviewed your response to our prior comment no. 34 where you stated that you have discussed the full three-year period covered by the financial statements. We believe that while you have discussed the change in fiscal 2000 from 1999, you have not in most instances discussed the impact of various factors, including but not limited to weather, fuel prices, customer growth, and competition, on the 1999 results. Please also revise your columnar presentations to provide the financial statement amounts for all three years in addition to the increase (decrease) from the prior year you are currently providing. We believe that this would improve the presentation making it more useful and informative to the reader. Please make these changes in future filings. (A)

Financial Statements of Southern Company

General

4. We reviewed your response to our prior comment no. 42 and the disclosures you made on pages II-11, II-16 and II-17. We see your disclosures of the clean-up costs expensed in each of the last three years on page II-17 and of the total expected costs of \$940 million to address one-hour ozone non-attainment standards for the Atlanta

and Birmingham areas of which \$520 million remains unspent. However, we are unable to locate any disclosure of the amounts of your Environmental Protection and Monitoring expenditures, including expenditures for complying with the Clean Air Act, The Federal Clean Water Act, the Comprehensive Environmental Response, Compensation and Liability Act, The Electromagnetic Fields and the Energy Policy Act of 1992 for each of the last three fiscal years. Please disclose this information in future filings. Please also disclose any known expenditures to be incurred in future periods for compliance with these environmental regulations. (A)

5. We reviewed your response to our prior comment no. 43. You have referred us to the disclosures you made on pages II-16 and II-17 of the amounts expensed in each of the last three years and stated that since you believe such amounts are immaterial and further discussion is not warranted at this time. You have stated on page II-32 that you have recorded \$33 million in cumulative expenses for the assessment and anticipated clean of sites on the Georgia Hazardous Sites Inventory and approximately \$6 million in cumulative expenses for Georgia Power`s agreed-upon share of the removal and remedial investigation and feasibility study costs for the Brunswick site (for which you are designated as a PRP) and that additional claims for recovery of natural resource claims at the site are anticipated. You have told us in your response that you do not have any material accruals related to litigation. As previously requested, please tell us supplementally and disclose in future filings the amounts accrued at each balance sheet date for these and other environmental liabilities. As a part of your revised disclosures, please explain the significant assumptions used to estimate the amounts of the accruals you have established and explain the nature of any circumstances that could impact the reliability of your estimates. If an exposure to loss exists in excess of amounts accrued, please disclose an estimate of the possible loss or range of loss or state that such an estimate cannot be made, as required by paragraph 10 of SFAS 5. In accordance with FIN 39 and SAB Topic 5:Y, do not consider any expected insurance recoveries unless the conditions of FIN 39 are met. If your response is that you do not have any material accruals for environmental liabilities, please tell us why not. If your response is that you are unable to estimate the possible loss or range of loss, include sufficient details regarding the stage of investigation and/or remediation for the Brunswick site and other material known sites as support. (A)

Note 1. Summary of Significant Accounting Policies, pages II-26 through II-30

6. We reviewed your response to our prior comment no. 54 that says you plan to remove the disclosure on page I-23 regarding the SEGCO coal reserve lands as coal reserves are not deemed material. As previously requested, please provide supplementally the amount of coal reserves reflected in your financial statements to support your assertion of immateriality. (A)

As appropriate, please file a pre-effective amendment to your registration statement in response to these comments. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We direct your attention to Rules 460 and 461 under the Securities Act of 1933 regarding requesting acceleration of a registration statement. Please allow adequate time after filing any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

You may contact Sondra Snyder at 202.942.3432 or Rufus Decker, Senior Assistant Chief Accountant, at 202.942.1774, if you have questions regarding comments relating to accounting. Please contact Julie A. Bell at 202.942.2906, or me at 202.942.1900, with any questions you may have on the comments above.

Sincerely,

H. Christopher Owings
Assistant Director

cc: John D. McLanahan, Esq.

Mail Stop 3561

April 11, 2006

By Facsimile and U.S. Mail

Mr. Thomas Fanning
Chief Financial Officer
The Southern Company
30 Ivan Allen Jr. Boulevard NW
Atlanta, GA 30308

Re: The Southern Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-3526

Alabama Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-3164

Georgia Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-6468

Gulf Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 0-2429

Mississippi Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 001-11229

Savannah Electric and Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-5072

Southern Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 333-98553

Dear Mr. Fanning:

We have reviewed your filings and have the following comments.

In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure.

Please be as detailed as necessary in your explanation. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

The Southern Company Form 10-K for the year ended December 31, 2005

General

1. Our review encompassed the parent company, and the other subsidiary registrants listed on the facing page of your Form 10-K.

In the interests of reducing the number of comments, we have not addressed each registrant with a separate comment. To the extent a comment is applicable to more than one registrant, please address the issue separately for the affected reporting subsidiary.

Management's Discussion and Analysis of Financial Condition and Results of Operations, page II-11

2. In addition to the overall cost of generation per KWH you may want to segregate the average cost by fuel source. Furthermore, while you discuss fuel expense in an indirect price/volume variance mode, you should attach quantification to such fluctuations. Finally, your statement regarding reduced 2005 purchased power volume in response to higher costs of purchased power may be illustrated in the tabular presentation by the addition of purchased power KWH's. In this regard, we are unable to reconcile KWH's sold to your total generated KWH's plus the imputed purchased power KWH volumes based on average cost and purchased power expense. Please clarify our understanding. If total generation KWH's includes purchased power KWH's you may want to make this clear since generation suggests company-generated power as opposed to procured power.

Other Operations and Maintenance Expenses, page II-14

3. Your explanations for comparable period changes do not total the actual change. For example, your explanations for the 2005 change in the components and related subcomponents of other operations and maintenance represent approximately 88% and 89%, respectively of the change reported. Similarly, you indicate that other operations and maintenance expense increased by \$148 million in 2004, although the explanations provided support an increase of \$208 million. Finally the reasons for the changes in the subcomponents should be discussed. For example the extent to which the \$33 million increase in 2005 employee benefits related to salary versus benefits and the extent such increase was due to increase headcount versus cost per employee should be addressed.

Consolidated Balance Sheets, page II-39

4. Please tell us the type and amounts of equity method investments you hold. Explain whether they are predominantly the section 29 tax credit entities. Tell us the amount and classification of such investments on your balance sheet. If such entity is a subsidiary, explain why it is not consolidated. If a SPE has been formed in connection with obtaining the section 29 tax credits, explain what consideration you gave to FIN 46R in determining whether such entity should be consolidated. Your Consolidated Statement of Cash Flows reflects investing cash outflows for what we presume are increases in investments in unconsolidated subsidiaries for the three years ended December 31, 2005. It appears equity method losses could be significant pursuant to Rule 1-02(w) of Regulation S-X. To the extent equity method investments are related to synthetic fuel operations tell us how you include any section 29 tax credits in the test. In this regard, please advise the necessity of providing summarized financial information pursuant to Rule 4-08(g) of Regulation S-X. Lastly, please explain to us if there are any differences between the amount at which an investment is carried and the amount of underlying equity in net assets and, if applicable, the accounting treatment of the difference.

Note 1. Summary of Significant Accounting Policies, page II-45

Regulatory Assets and Liabilities, page II-46

5. Please explain to us the nature of the asset retirement asset versus the liability. If applicable, you should distinguish between legal ARO required to be accrued under SFAS no. 143 versus non-legal obligations for which rate recovery has been previously provided. Also, please explain by major regulatory jurisdiction how ARO costs are recovered. Please tell us whether you defer any portion of the interest accretion or additional depreciation that resulted from application of SFAS no. 143.

6. Regulatory assets are very significant to your balance sheet. Prospectively, please ensure that you adhere to the disclosure requirements of paragraph 20 of SFAS no. 71. If recovery of your regulatory assets is provided without a return, or a return not characteristic of the cost of capital, you should disclose the amounts of such assets and the remaining recovery period applicable to them.

Leveraged Leases, page II-51

7. It appears you enter into leverage leases as either the owner-lessee or lessee-user of the asset. If our understanding is incorrect, please clarify it. To the extent you are the owner-lessee, you should consider providing disclosure as to the relative credit quality of the various lessees. This may be done in the footnote or MD&A. In this regard, explain to us how you evaluate impairment for your investment where you are the owner-lessee.

Note 2. Retirement Benefits, page II-53

8. Please explain to us how you calculate your market-related value of plan assets as discussed in paragraph 30 of SFAS 87`. Since you have a choice and the method by which you calculate market-related value can have an impact on net income, it should be disclosed as an accounting policy.

Note 6. Financing
Financial Instruments, page II-69

9. Please help us understand the extent to which you enter into derivative contracts to hedge risk associated with purchases or sales that would qualify as normal under SFAS no. 133. Tell us the amount of such fair value adjustments that are included in regulatory assets/liabilities versus net income. Tell us the amount of cash flow hedge fair value adjustments included in regulatory assets/liabilities that, absent probability of rate recovery, would be classified in other comprehensive income. On this point, please specifically advise how the MTM adjustments relating to your interest

rate swaps and options have been included in the income statement, balance sheet or statement of other comprehensive income. In this regard, we do not note any apparent regulatory liability associated with such instruments based on the descriptions of regulatory items on page II-46. In this regard, you may want to reconcile the amount of "Regulatory liabilities, net" of \$103.4 million with the related items and captions in your listing of regulatory assets and liabilities on page II-46. Finally, your basis for netting the regulatory assets and liabilities on page II-69 given the probability that regulatory assets may be in different jurisdictions than regulatory liabilities should be explained to the staff.

Note 8. Common Stock, page II-72

10. You reference the fact that all options granted under the plans had an exercise price equal to the market value on the date of grant. In this regard, we note no stock compensation tax related items in your Consolidated Statements of Stockholders' Equity. Please explain to us how you classify the tax benefit on non-compensatory option grants; especially when the grant involves non-qualified options. Please explain how you classify the tax benefit regarding the exercise of non-qualifying stock options or disqualifying dispositions, if applicable.

Alabama Power Company Form 10-K for the year ended December 31, 2005

Note 6. Financing, II-123

11. Please explain and prospectively disclose the pertinent rights and privileges of any securities outstanding. In this regard, we assume a liquidation preferences may exist with your preferred stock. See SFAS no. 129.

Georgia Power Company Form 10-K for the year ended December 31, 2005

Statements of Cash Flows, page II-153

12. Explain to us why you have recorded construction payables as a component of the net cash used for investing activities.

Gulf Power Company Form 10-K for the year ended December 31, 2005

Statements of Cash Flows, page II-209

13. We reissue our prior comment twelve regarding construction payables.

Note 6 - Financing, page II-228

14. We reissue our prior comment eleven regarding your securities outstanding.

Mississippi Power Company Form 10-K for the year ended December 31, 2005

Statements of Cash Flows, page II-258

15. We reissue our prior comment twelve regarding construction payables.

16. You indicate in your sources of capital discussion on page II-251

that the company had outstanding \$152 million in commercial paper notes. Please reconcile this to the amount reported on the balance sheet and statements of cash flows of \$202,124. Also, please explain whether the reported amounts are affiliate borrowings.

Note 6 - Financing, page II-278

17. We reissue our prior comment eleven regarding your securities outstanding.

Savannah Electric and Power Company Form 10-K for the year ended December 31, 2005

Note 6 - Financing, page II-326

18. We reissue our prior comment eleven regarding your securities outstanding.

Southern Power Company Form 10-K for the year ended December 31, 2005

Statements of Cash Flows, page II-349

19. We reissue our prior comment twelve regarding construction payables.

Note 2. Contingencies and Regulatory Matters, page II-356

Oleander Acquisition, page II-357

20. Please tell us how you have accounted for the Oleander acquisition. Explain to us how you evaluated the transaction under SFAS no. 141. Please be detailed in your response.

Please respond to these comments within 10 business days

or
tell us when you will provide us with a response. Please furnish a letter with your responses to our comments and provide any requested supplemental information. Please understand that we may have additional comments after reviewing your responses to our comments.
Please file your response letter on EDGAR as a correspondence

file.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing reviewed by the staff to be certain that they have provided all information investors require for an informed decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that:

* the company is responsible for the adequacy and accuracy of the disclosure in the filing;

* staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and

* the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filing or in response to our comments on your filing.

If you have any questions regarding this comment, please direct them to Robert Babula, Staff Accountant, at (202) 551-3339 or, in his absence, to the undersigned at (202) 551-3849. Any other questions regarding disclosures issues may be directed to H. Christopher Owings, Assistant Director at (202) 551-3725.

Sincerely,

Jim Allegretto
Senior Assistant Chief Accountant

Mr. Thomas Fanning
The Southern Company
April 11, 2006
Page 7

7

Mail Stop 3561

May 15, 2006

By Facsimile and U.S. Mail

Mr. Thomas Fanning
Chief Financial Officer
The Southern Company
30 Ivan Allen Jr. Boulevard NW
Atlanta, GA 30308

**Re: The Southern Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-3526**

**Alabama Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-3164**

**Georgia Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-6468**

**Gulf Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 0-2429**

**Mississippi Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 001-11229**

**Savannah Electric and Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-5072**

Mr. Thomas Fanning
The Southern Company
May 15, 2006
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Southern Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 333-98553

Dear Mr. Fanning:

We reviewed your responses to our prior comments on the above referenced filings as set forth in your letter dated April 25, 2006. Our review resulted in the following accounting comments.

1. We have read your response to comment three of our letter dated April 11, 2006. Please address in *detail* each of the criteria contained in paragraph 5 of FIN 46R with respect to your synthetic fuel production entities. Please tell us whether Clairton 1314B qualifies for section 29 tax credits or other tax benefits. If so, please address the paragraph 5 analysis for your investment in coke production. Condition two of paragraph 4h of FIN 46 states that, “the entity is designed so that substantially all of its activities either involve or are conducted on behalf of the reporting enterprise and its related parties.” This condition addresses entities that have a narrow business purpose because they were designed to complement the company’s operating or *financing* activities. We believe that both a qualitative and quantitative approach should be utilized when evaluating this condition. We note that you are recording material tax credits related to investments in synthetic fuel. If such tax benefits are skewed toward benefiting Southern, then condition 2 may be applicable. Furthermore, we are unclear on what role Southern played in the design of the above entities as discussed in condition one to paragraph 5. You may want to provide us with a detailed description of transactions that resulted in formation, capitalization, acquisition of synfuel assets and how the tax benefits are allocated to the owners. We may have further comment.
2. We note your responses to comment 12, 13, 15, and 19 of our letter dated April 11, 2006. Please indicate to us the time lag, on average for each registrant, between when the accruals were made and actually paid for each year presented. We may have further comment.
3. We were unable to locate any pro forma disclosure required by paragraph 58(b) of SFAS no. 141 in your June 30, 2005 Form 10-Q. It appears the acquisition was material, if not please explain the basis for your conclusion using SAB 99 if due to materiality. If the acquisition is material, please provide such pro forma disclosure in your June 30, 2006 Form 10-Q.

As appropriate, please respond to these comments within 10 business days or tell us when you will provide us with a response. Please provide us with a response letter that keys your responses to our comments and provides any requested supplemental information. Please file your response letter on EDGAR as a correspondence file.

Mr. Thomas Fanning
The Southern Company
May 15, 2006
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If you have any questions regarding these comments, please direct them to Robert Babula, Staff Accountant, at (202) 551-3339 or, in his absence, to the undersigned at (202) 551-3849. Any other questions regarding disclosures issues may be directed to H. Christopher Owings, Assistant Director at (202) 551-3725.

Sincerely,

Jim Allegretto
Senior Assistant Chief Accountant

Mail Stop 3561

June 20, 2006

By Facsimile and U.S. Mail

Mr. Thomas Fanning
Chief Financial Officer
The Southern Company
30 Ivan Allen Jr. Boulevard NW
Atlanta, GA 30308

**Re: The Southern Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-3526**

**Alabama Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-3164**

**Georgia Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-6468**

**Gulf Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 0-2429**

**Mississippi Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 001-11229**

**Savannah Electric and Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 1-5072**

Southern Power Company
Form 10-K for the year ended December 31, 2005
Filed February 27, 2006
File No. 333-98553

Dear Mr. Fanning:

We reviewed your responses to our prior comments on the above referenced filings as set forth in your letter dated June 2, 2006. Our review resulted in the following accounting comments.

1. We have read your response to comment one of our letter dated May 15, 2006. Please address the following issues related to your partnership in Alabama Fuel Products, LLC (AFP):
 - a. We believe that condition two to paragraph 4h of FIN 46 (R) should be based primarily on a *qualitative* assessment. The fact pattern presented regarding the “substantially all” issue indicates that you purchase 85% of the synfuel produced by the venture, and provide materials and services to the partnership; presumably the raw materials. Please advise as to the percentage of materials you provide to AFP. Accordingly, it appears that several indicators are present that suggest the activities of AFP are conducted primarily on behalf of Southern. Therefore, we are not clear how AFP meets the business exception under FIN 46 (R). If you do not concur, please explain your rationale. Otherwise please address the paragraph 5 criteria in FIN 46 (R). If you conclude that AFP is a variable interest entity, then please indicate to us who the primary beneficiary is, and how you reached your conclusion. Furthermore, please provide to us any computations, and related analysis, to reach your conclusion regarding this issue.
 - b. Please tell us the percentage of losses, or future capital contributions, you are required to make to AFP. In this regard, you state in your response that you have a 30% interest in AFP. Explain how the payments to the previous owners regarding the thermal content of the synthetic fuel are calculated and whether that was considered in your expected loss calculation. Lastly, please tell us how the tax benefits are allocated between the parties and how that allocation factored into your analysis.
2. We have read your response to comment two of our letter dated May 15, 2006. If you are aware of any companies in the industry that reflect changes in construction payables as an investing cash flow activity, please identify such companies. In any event, please support your classification of such items as investing cash flows in your Statements of Cash Flows. We may have further comment.
3. We have read your response to comment three of our letter dated May 15, 2006. We are unclear the reason for your reference to a 20% materiality threshold, which is the threshold percentage test in Article 11 of Regulation S-X for a significant acquisition.

Mr. Thomas Fanning
The Southern Company
June 20, 2006
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We believe the evaluation of materiality should be based on SAB 99 which contains a quantitative threshold of 5%. Accordingly, please provide the pro forma disclosures required by paragraph 58 (b) of SFAS no. 141 in your June 30, 2006 Form 10-Q or advise in detail.

As appropriate, please respond to these comments within 10 business days or tell us when you will provide us with a response. Please provide us with a response letter that keys your responses to our comments and provides any requested supplemental information. Please file your response letter on EDGAR as a correspondence file.

If you have any questions regarding these comments, please direct them to Robert Babula, Staff Accountant, at (202) 551-3339 or, in his absence, to the undersigned at (202) 551-3849. Any other questions regarding disclosures issues may be directed to H. Christopher Owings, Assistant Director at (202) 551-3725.

Sincerely,

Jim Allegretto
Senior Assistant Chief Accountant