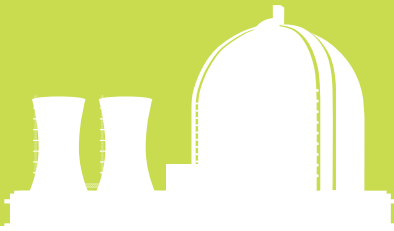


What's **SMART** about Southern Company? We continue to make smart investments in new technologies that will generate cleaner, more reliable energy and provide our customers with more information and smart energy choices, while keeping our prices as low as possible.

### SMART ENERGY

Generation



Distributed Resources



### SMART GRID

Transmission



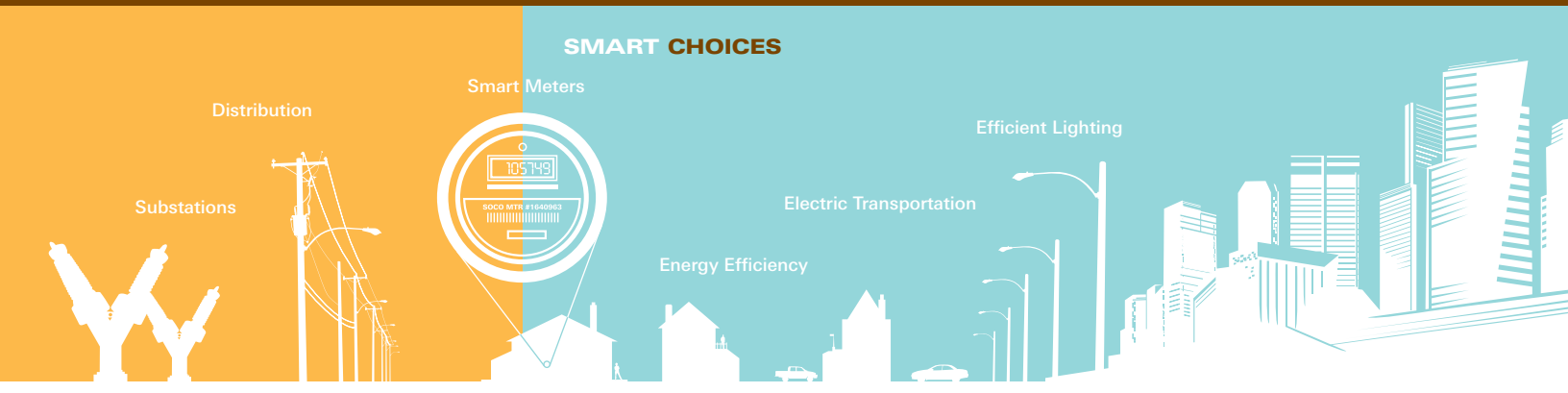
## What makes our network **SMART**?

**Smart Energy** – As we continue to grow our diverse supply of clean, reliable, affordable energy, every resource is evaluated. We're producing growing quantities of renewable energy from resources that are available to us in the Southeast, and we continue to explore other renewable options. New nuclear technology, the only large source of baseload generating capacity available to us without a greenhouse gas or carbon footprint, must be a bigger part of our energy portfolio. And, to pursue energy independence and keep prices as low as possible, we must include energy

produced with clean coal. Energy efficiency and conservation play an increasingly important role in meeting our customers' energy demands. We continue to deploy new technologies that create more customer options for using energy more efficiently. We're also evaluating the use of small-scale generation technologies, such as renewable energy and energy storage, distributed throughout our service area to benefit pockets of customers. We expect these distributed generation resources to play a bigger role in our future.

**Smart Grid** – Through technology advances and smart grid applications, the delivery of energy is becoming more efficient and reliable. Our record of strong reliability is a reflection of the ongoing investments we make in maintaining and expanding our grid and the smart grid technologies we've employed for a number of years. Now, with an anticipated \$165 million in federal stimulus funds to supplement our smart grid investments, we are expediting our plans to add new advanced technologies that will optimize our grid performance and reliability. We're deploying an automated metering infrastructure throughout our four-state service territory, which will

Why does being **SMART** matter? Rapidly changing technology is driving innovation and creating new opportunities to become even more efficient and better serve our customers. It's essential that we continue to assess every opportunity and make balanced decisions based on common sense.



create the last piece of a two-way communications system between our network and our customers. In the future, we'll be able to supply our customers with detailed information about their own usage and help them find ways to use energy more efficiently. We're already experiencing operational efficiencies and cost savings through our deployment of these smart meters, which allow us to remotely handle many customer services that previously required in-person visits. As new technologies are added, our outstanding system reliability and power quality are expected to become even better.

**Smart Choices** – Southern Company's success is a result of keeping our customers satisfied by delivering reliable, affordable energy and great service. We have consistently been an industry leader in customer satisfaction. However, we always strive to be better. As we continue to expand our smart grid and smart meter technologies, new smart energy management choices for our customers are realized. We're working hard to introduce our customers to cleaner, more economical ways to power homes, commercial businesses,

and industries. And we're aggressively exploring how we can apply new and proven technologies to everything from electronics and lighting to transportation as we expand our list of convenient and efficient customer offerings. Our largest commercial and industrial customers are enjoying innovative pricing options that give them more control over the prices they pay. The two-way communications capabilities of a smart infrastructure will allow us to expand these dynamic pricing options to more of our customers.