

September 19, 2011

Request for Bids for Natural Gas Supply – Due October 7, 2011

Southern Company Services (SCS), as agent for Alabama Power Company, Georgia Power Company, Mississippi Power Company, Gulf Power Company and Southern Power Company, is soliciting bids for firm, baseload natural gas supply to assist in serving the fuel requirements of its affiliates beginning in 2012 (see below for further explanation).

In order to qualify for consideration, all bids must contain 1) delivery point(s), 2) quantities, 3) term, 4) pricing and 5) contract terms as follows:

Annual Supply (1 to 5 years) on a firm basis (June 1 – May 31):

<u>Delivery Point</u>	<u>Quantity (DT/Day)</u>	<u>Beginning</u>	<u>Index</u>
Destin (All Delivery Points)	25,000	June 1, 2012	Gas Daily
Mobile Bay (Into FGT, MGS & Transco 4A)	8,000	June 1, 2012	IFERC
Mobile Bay (Into FGT, MGS & Transco 4A)	50,000	June 1, 2012	Gas Daily
Transco Zone 4A -Gulf Crossing, MEP	25,000	June 1, 2012	Gas Daily
Transco Zone 4 Station 85 Pool	25,000	June 1, 2012	Gas Daily
Southern Natural Gas			
-Sabine – Henry Hub	20,000	June 1, 2012	Gas Daily
-Shadyside – ANR	25,000	June 1, 2012	Gas Daily
-Shadyside – TL	25,000	June 1, 2012	Gas Daily
-Shadyside – Cgulf	25,000	June 1, 2012	Gas Daily
-Zone 2 Coal Seam	20,000	June 1, 2012	Gas Daily
-MEP	25,000	June 1, 2012	Gas Daily
-Gulf Crossing	25,000	June 1, 2012	Gas Daily
SESH/SNG			
- Tiger	50,000	June 1, 2012	Gas Daily
- Centerpoint	50,000	June 1, 2012	Gas Daily
- Gulf South	50,000	June 1, 2012	Gas Daily
- Gulf Crossing	50,000	June 1, 2012	Gas Daily

Summer Supply (1 to 5 years) on a firm basis (Jun 1 – Sept 30):

<u>Delivery Point</u>	<u>Quantity (DT/Day)</u>	<u>Beginning</u>	<u>Index</u>
Destin (All Delivery Points)	25,000	June 1, 2012	Gas Daily
Mobile Bay (Into FGT, MGS & Transco 4A)	25,000	June 1, 2012	Gas Daily
Bay Gas Storage (Delivered)	25,000	June 1, 2012	Gas Daily
Transco Zone 4A -Gulf Crossing, MEP	25,000	June 1, 2012	Gas Daily
Transco Zone 4 Station 85 Pool	25,000	June 1, 2012	Gas Daily
Southern Natural Gas			
-Zone 2 Coal Seam	10,000	June 1, 2012	Gas Daily
-Kosciusko	20,000	June 1, 2012	Gas Daily
-Shadyside – ANR	25,000	June 1, 2012	Gas Daily
-Shadyside – TL	25,000	June 1, 2012	Gas Daily
-Shadyside – Cgulf	25,000	June 1, 2012	Gas Daily
-Elba Tailgate	25,000	June 1, 2012	Gas Daily
-MEP	25,000	June 1, 2012	Gas Daily
-Gulf Crossing	25,000	June 1, 2012	Gas Daily

Sell Back Option: If Bidder will consider providing a business day-ahead sell back option as part of Bid, please specify so and include any terms for such option. **Bids with Sell Back Options will be given higher consideration in the bid evaluation.**

Pricing: Gas prices should be bid as an index price as shown above. Bidder should specify which pipeline index (Henry Hub) is to be used at each delivery point.

Contract Terms: If Bidder has already executed a long-term gas purchase contract or NAESB contract, then Bidder can bid under the terms of the existing long-term or NAESB contract. If Bidder does not have a gas purchase contract with SCS then Bidder must execute a NAESB contract. Any exceptions to or requested changes in the

NAESB contract must be included in Bidder's bid and will be considered in evaluating such bid.

All bids submitted for consideration must be held open until **October 31, 2011** in order for SCS to have sufficient time to complete its bid selection process and for the parties to consummate the contractual documentation.

Please advise if any offers are mutually exclusive.

SCS reserves the right (without qualification and in its sole discretion) to reject any and all bids.

Bids may be submitted via email, U.S. mail or special courier using the following addresses:

e-mail G2GASPROCURE@southernco.com
Subject: 2012 Gas Supply RFP

U.S. Mail or Special Courier Gas Procurement - 2012 Gas Supply RFP
Southern Company Services, Inc.
600 North 18th Street
Mail Drop 6S-8164
Birmingham, AL 35203

Bids must be received by SCS at one of the above addresses no later than 4:00 PM (Central Time) on **October 7, 2011**.