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January 16, 2014

ALABAMA
POWER

A SOUTHERN COMPANY Filed

Jan 16, 2015

APSC

Alabama Public Service Commission
Post Office Box 304260
Montgomery, Alabama 36130

Re: Docket 18148

In accordance with the rules and regulations governing application of energy cost recovery rate, enclosed is a report showing the current status of energy cost as of December 31, 2014. Also, attached is a summary of monthly fuel cost adjustment factors for retail and wholesale. Consistent with the Commission's rules on e-filing, the original and one copy are being sent under separate cover.

Sincerely,



Nick Sellers

NCS/jbb

Enclosure

Schedule 1

ALABAMA POWER COMPANY
RATE ECR
Energy Cost
December 2014

	Actual Cost	Actual MWH
Steam Power (Account 501)		
Barry Steam Plant	\$ 11,652,990	279,478
Gadsden Steam Plant	912,511	20,069
Gaston Steam Plant - Unit #5	12,452,319	374,313
Gorgas Steam Plant	94,595	(7,656)
Greene County Steam Plant	4,416,205	117,089
Miller Steam Plant	36,740,705	1,635,312
	<u>66,269,325</u>	<u>2,418,605</u>
Total		
Nuclear Power (Account 518)		
Farley Nuclear Plant	9,997,703	1,253,632
	<u>9,997,703</u>	<u>1,253,632</u>
Other Power Generation (Account 547)	25,489,162	945,595
	<u>25,489,162</u>	<u>945,595</u>
Purchases and Sales (Accounts 555 and 447)		
Southern Electric Generating Company	3,686,417	96,928
Southern Company Pool:		
Purchases from Assoc. & Non-Assoc.	9,798,872	273,517
Sales to Assoc. & Non-Assoc.	(9,033,949)	(378,449)
Purchase Power Agreements (CNP - PPA)	4,319,743	133,445
Miscellaneous:		
Purchases	520,910	13,180
Sales	(1)	0
	<u>9,291,992</u>	<u>138,621</u>
Total		
Hedging Activity (Accounts 547 and 456)		
Net Gain/Loss on Hedge Activity	1,490,233	0
	<u>1,490,233</u>	<u>0</u>
Carrying Cost	(183,171)	0
	<u>(183,171)</u>	<u>0</u>
Total Energy Cost	<u>\$ 112,355,244</u>	<u>4,756,453</u>
Hydro Generation		<u>417,057</u>

Schedule 2

ALABAMA POWER COMPANY
 RATE ECR
 Energy Sales (MWH)
 December 2014

	Actual	
	Subject to Rate ECR	Total
Residential	1,524,919	1,524,919
Commercial	1,052,525	1,052,525
Industrial	2,056,997	2,056,997
Street and Highway Lighting	16,678	16,678
Interdepartmental	-	-
Municipalities	-	11,347
Cooperatives	-	48,732
AMEA	-	223,795
Sales to Other Utilities	-	-
Total Booked Energy Sales	4,651,119	<u>4,934,993</u>
Less Unbilled Energy Sales Adjustment	<u>76,102</u>	
Total Billed Energy Sales	<u>4,575,017</u>	

Schedule 3

ALABAMA POWER COMPANY
 RATE ECR
 OVER/(UNDER) RECOVERED ENERGY COST AS OF
 December 31, 2014

Total energy cost for the Month (Schedule 1)	\$ 112,355,244
Less:	
Energy cost applicable to wholesale sales	1,328,184
Energy cost applicable to AMEA	4,698,265
Energy cost recovered in long term contract sales to other utilities	<u>0</u>
	<u>6,026,449</u>
Plus:	
Emission allowance cost/revenue (net)	104,463
Coal contract buyout amortization	<u>(238,650)</u>
	<u>(134,187)</u>
Energy cost recoverable under Rate ECR	106,194,608
Energy cost recovered under Rate ECR	<u>115,264,629</u>
Energy cost over/(under) recovered through operation of Rate ECR for December 2014	<u>9,070,021</u>
Over/(Under) recovered energy cost applicable to Rate ECR as of November 30, 2014	<u>38,145,161</u>
Accumulated over/(under) recovered energy cost applicable to Rate ECR as of December 31, 2014	<u>\$ 47,215,182</u>

ALABAMA POWER COMPANY
ENERGY COST RECOVERY FACTOR
CALCULATED FROM RATE ECR

<u>Billing Month</u>	<u>Rate ECR (Mills)</u>
January 2001 – March 2002	17.880 (1)
April 2002 – March 2005	15.180 (2)
April 2005 – December 2005	17.880 (3)
January 2006 – June 2007	24.000 (4)
July 2007 – December 2009	31.000 (5)
Twenty Four Month Period beginning with October 9, 2008	39.830 (6)
June 9, 2009 –October 8, 2010	37.330 (7)
January 2010 – March 2011	24.030 (8)
April 2011 – December 2011	26.810 (9)
January 2012 – December 2012	26.810 (10)
January 2013 – December 2013	26.810 (11)
January 2014 – December 2014	26.810 (12)
January 2015 – December 2015	26.810 (13)

(1) Effective January 1, 2001 and thereafter.

* RLF Effect:

Secondary	18.368
Primary	17.325
Subtransmission	17.117
Transmission	16.875

(2) Effective for billing months April, 2002 through December, 2002, as ordered in APSC Docket No. 18148, March 5, 2002. Extended through June, 2003, as ordered on December 5, 2002. Extended through December, 2003, as ordered on June 3, 2003. Extended through June, 2004, as ordered on December 9, 2003. Extended through September, 2004, as ordered on June 1, 2004. Extended through December, 2004, as ordered on September 14, 2004. Extended through March, 2005, as ordered on December 13, 2004.

**RDF Effect:	Non-Summer	Summer
Secondary	14.825	16.810
Primary	13.983	15.856
Subtransmission	-	-
Transmission	13.620	15.444

(3) Effective April 1, 2005 and thereafter.

***RDF Effect:	Non-Summer	Summer
Secondary	17.462	19.800
Primary	16.471	18.676
Subtransmission	-	-
Transmission	16.043	18.191

- (4) Effective for the billing months of January, 2006 through December, 2007, as ordered in APSC Docket No. 18148, December 15, 2005.

****RDF Effect:	Non-Summer	Summer
Secondary	23.439	26.578
Primary	22.108	25.068
Subtransmission	-	-
Transmission	21.534	24.418

- (5) Effective for billing months of July, 2007 through December, 2009, as ordered in APSC Docket No. 18148, June 18, 2007.

*****RDF Effect:	Non-Summer	Summer
Secondary	30.276	34.329
Primary	28.556	32.380
Subtransmission	-	-
Transmission	27.815	31.540

- (6) Effective based on a twenty four month period beginning with October 9, 2008 billings, as ordered in APSC Docket No. 18148, October 20, 2008.

*****RDF Effect:	Non-Summer	Summer
Secondary	38.899	44.108
Primary	36.690	41.603
Transmission	35.738	40.523

- (7) Effective for the billing period of June 9, 2009 through October 8, 2010, as ordered in APSC Docket No. 18148, June 2, 2009.

*****RDF Effect:	Non-Summer	Summer
Secondary	36.458	41.339
Primary	34.387	38.992
Transmission	33.495	37.980

- (8) Effective for the billing period of January 1, 2010 through December 31, 2010, as ordered in APSC Docket No. 18148, December 2, 2009. Extended through March 2011 as ordered on December 7, 2010.

*****RDF Effect:	Non-Summer	Summer
Secondary	23.468	26.611
Primary	22.136	25.100
Transmission	21.561	24.448

- (9) Effective for the billing period of April 1, 2011 through December 31, 2011, as ordered in APSC Docket No. 18148, December 7, 2010.

*****RDF Effect:	Non-Summer	Summer
Secondary	26.183	29.689
Primary	24.697	28.004
Transmission	24.056	27.277

- (10) Effective for the billing period of January 1, 2012 through December 31, 2012, as ordered in APSC Docket No. 18148, December 6, 2011.

*****RDF Effect:	Non-Summer	Summer
Secondary	26.183	29.689
Primary	24.697	28.004
Transmission	24.056	27.277

- (11) Effective for the billing period of January 1, 2013 through December 31, 2013, as ordered in APSC Docket No. 18148, December 4, 2012.

*****RDF Effect:	Non-Summer	Summer
Secondary	26.183	29.689
Primary	24.697	28.004
Transmission	24.056	27.277

- (12) Effective for the billing period of January 1, 2014 through December 31, 2014, as ordered in APSC Docket No. 18148, December 3, 2013.

*****RDF Effect:	Non-Summer	Summer
Secondary	26.183	29.689
Primary	24.697	28.004
Transmission	24.056	27.277

(13) Effective for the billing period of January 1, 2015 through December 31, 2015, as ordered in APSC Docket No. 18148, December 2, 2014.

*****RDF Effect:	Non-Summer	Summer
Secondary	26.183	29.689
Primary	24.697	28.004
Transmission	24.056	27.277

ALABAMA POWER COMPANY
 Monthly Fuel Cost Adjustment Factor
 Calculated From Rate Schedule REA and Mun
In Mills/kWh

<u>Billing Month</u>	Actual <u>Wholesale Fuel Factors</u>	Estimated <u>Wholesale Fuel Factors</u>
January, 2013	5.569	
February	3.975	
March	5.024	
April	5.253	
May	4.727	
June	10.240	
July	7.534	
August	8.036	
September	8.462	
October	9.266	
November	5.156	
December	3.238	
January, 2014	11.300	
February	7.835	
March	5.451	
April	4.035	
May	7.347	
June	7.923	
July	8.118	
August	8.415	
September	7.342	
October	6.159	
November	7.115	
December	3.602	
January – March 2015		6.847